

Herald Tribune

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THURSDAY, PARIS, Friday, Fair with
sun. Temp. 15-18 (60-65). Saturday,
N. Friday, scattered showers. Temp.
Saturday, variable. CHANGING.
rough. BOMBE, Friday, clear. Temp.
NEW YORK: Fair, clear. Temp.

AL WEATHER - COMICS PAGE

119

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PARIS, FRIDAY, MAY 13, 1977

Established 1837

...mically, Mobutu
illiterate but politically
...there with Bismarck
eternich."

butu Political Skill Anti-Invasion Key

By Michael T. Kaufman

A. Zaire, May 12
e war in Zaire's Shaba
is about to enter its
and, while the mil-
of the combined
Moroccan forces re-
st and inconclusive,
doubt that on the
front President Mo-
buto has achieved a
success.

running stage man-
id political string-
as succeeded in in-
ing what had been
threat to his con-
With his army in
t on the verge of
vading force of 2,000
ies, Mr. Mobutu was
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s and Belgium.
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ost African govern-
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Africa.

the Shaba invasion
international crisis,
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t stronger than he
his ago.

ity Measures
18, when the Ka-
mun crossed into the
ion of Shaba (for-
nga Province) from
Mobutu was already
rouble. His govern-
more than \$2 billion.
d leading agencies
ding new austerity

measures as a condition for
further aid. His army was ill-
equipped and had not been paid.
Mr. Mobutu's personal popular-
ity, even in Kinshasa, was plum-
meting. The little badges bear-
ing his picture that once had
been worn proudly by the party
faithful were rarely seen any-
more. Urban unemployment was
growing and the President's ear-
lier attempt at continental lead-
ership had foundered under the
weight of the Angolan civil war
and Zaire's, significant, though
well-hidden, commercial ties to
South Africa and Rhodesia.

Now, almost two months after
the invasion, the Zairian Army
is outfitted with new uniforms
and has new weapons. China,
Belgium, France and, to a lesser
extent, the United States have
sent material and supplies. Egypt
is sending pilots. The rallies
organized in support of Mr. Mo-
buto here became more and more
enthusiastic and the cheering
less and less perfunctory as it
became clearer that the Presi-
dent was surviving the storm.

Economic Shambles

The economy is still in a
shambles, with private banks,
most of them U.S.-owned, and the
International Monetary Fund
helping in their commitments to
rescue the country from the lat-
est dip in its perennially dismal
fiscal fortunes. But there are
indications that the leaders will
once again come up with the
cash, if only to enable the gov-
ernment to pay the staggering
interest it owes, an amount
equal one-third of the coun-
try's yearly budget.

How did Mr. Mobutu do it?
"Well, you have to understand



Zaire President Mobutu Sese Seko, who is leading the fight against the Katangan rebels.

that politically he is a genius,"
a Western diplomat said here.
"Economically, he is an illiterate
but politically he's up there with
Bismarck and Metetrich."

The key to his success, accord-
ing to many diplomats here, was
Mr. Mobutu's reliance on bilateral
diplomacy rather than appeals to
international organizations. With-
in hours after the city of Dilolo
near the Angolan border had
been seized by the invading
force, the President had infor-
med both the Organization of
African Unity and the United
Nations Security Council of what
he called a violation of Zaire's
integrity.

Significantly, however, he did
not ask either body to take ac-
tion, but simply asked them to
take note. According to officials
close to Mr. Mobutu, this move
was based on the President's be-
lief that any deliberation by
either organization would turn

into a lengthy debate that would
drag on while the invading force
swept through Shaba.

What was needed, Mr. Mobutu
concluded, was not a rhetorical
outburst but quick action to
shore up his informal defense
force. Mr. Mobutu dispatched
high-level diplomatic missions
to selected African countries. On
the list were Morocco and
the Sudan, which face similar
minority problems in border
areas to that posed by the Ka-
tangans. He also sent ministers
to Senegal, Ivory Coast and Ga-
bon, three French-speaking and
generally conservative coun-
tries with leaders who fear ex-
panding Soviet-bloc influence in Africa.

The message he sent claimed
that the Katangans, the re-
mnants of a secessionist army of
the 1960s, were being aided by
Angola, which in turn, he said,
(Continued on Page 2, Col. 4)

Refers Again to Palestine Homeland

Carter Vows Israeli Access To Advanced U.S. Weapons

By Robert Siner

WASHINGTON, May 12 (UPI).
President Carter today strongly
reaffirmed the U.S. commitment
to Israel and promised that na-
tion continued access to advan-
ced U.S. weaponry.

In a news conference, Mr. Car-
ter also said that he did not
think "there can be a reasonable
hope for a settlement of the Mid-
dle East question" unless the
Palestinians are given a home-
land and agree to give up their
commitment to the destruction of
Israel.

Israeli leaders, including For-
eign Minister Yigal Allon earlier
today, have repeatedly rejected
proposals for creation of an in-
dependent Palestinian nation be-
tween Jordan and Israel. However,
Israel has said it would accept a
Jordan-Palestine federation.

The President began the con-
ference with a brief overview of
his European trip, which he con-
sidered a "substantial success"
through the cooperative efforts
of the participants.

"It was a joint success," he
said. "We renewed strength and
commitment in democratic so-
cieties with our friends and al-
lies."

Few of the ensuing questions,
however, dealt with the trip. In-
stead, they mostly involved the
Middle East and domestic issues.

On the Middle East, Mr. Car-
ter said that he now had had
meetings with the leaders of Is-
rael and the Arab states and, as
a result, "I felt better than I did
before." But the President warn-

any decisions on the invitation by
President Valéry Giscard d'Es-
taing to visit France. He said that
if Congress finishes its work by
October, "it would make it pos-
sible for me to take another trip"

but no decision had been made.
The President also touched on
these topics:
• European summit: He said
his meeting with European allies
gave them a "quiet sense" of

confidence that they can com-
pete successfully with the Soviet
Union and the rest of the Com-
munist world.
Mr. Carter said that he had
(Continued on Page 2, Col. 8)

Nixon Explains His Foreign Policy

He Minimizes Kissinger's Role and Influence

By James M. Naughton

WASHINGTON, May 12 (UPI).
Former President Richard Nixon
said tonight that he might
have named John Connally
secretary of state in 1973 instead
of Henry Kissinger, but he be-
lieved that Mr. Kissinger
"couldn't tolerate" threats to his
primacy among foreign policy
advisers.

In the second of four sched-
uled television conversations with
British interviewer David Frost
marking Mr. Nixon's emergence
from post-Watergate seclusion,
the former president discussed
but did not offer significant new
insights into his conduct of
diplomacy with the leaders of
China, the Soviet Union, the
Middle East and the Indian
subcontinent.

Mr. Nixon was chatty and
anecdotal, sometimes almost go-
sipy, as he described the late
Mao Tse-tung as a shriveled
colossus who knew last summer
"he was going to die." He said



Henry Kissinger

Leonid Brezhnev, the Soviet
party leader, was less alert than
the late Nikita Khrushchev but
"a much safer man to have
sitting there with his finger on
the button."

Yet the refrain that ran
throughout the interview was
Mr. Nixon's stress on his personal
stewardship of big-power diplo-
macy while minimizing Mr. Kis-
singer's role and influence.

Cambodian Decision

Mr. Nixon said, for example,
that he had decided "on the
spot" without consulting Mr.
Kissinger, to order the U.S. in-
vasion of Cambodia in 1970.
By Mr. Nixon's account, it was
Mr. Connally, then secretary of
the Treasury, who persuaded him
in May, 1970, to bomb Hanoi and
mine Haiphong harbor, after Mr.
Kissinger had counseled against
the tactics as a device to induce
North Vietnam to bargain for a
cease-fire.

Mr. Nixon also spoke of per-
suading a timorous Mr. Kissinger
to "send everything that flies"
not a mere token force, in a
military airlift of supplies to
Israel during the 1973 Yom
Kippur war with Egypt and
Syria.

In describing his selection of a
successor to his first secretary
of state, William Rogers, Mr.
Nixon said he had little choice
but to give Mr. Kissinger control
of both the State Department
and the national security staff at
the White House.

Avoiding a Feud

"I'd gone through the Rogers-
Kissinger feud for four years,"
he said, "and I didn't want to
buy another feud with another
secretary of state" such as Mr.
Connally, who Mr. Kissinger
might feel "threatened his posi-
tion of being the president's
major foreign policy adviser."

Mr. Kissinger remained in the
Cabinet through President
Gerald R. Ford's abbreviated
term, but Mr. Ford stripped him
of the White House post in 1974.
A spokesman for Mr. Kissinger
said today that he would have
no comment on Mr. Nixon's
remarks.

As edited by Mr. Frost from
much longer conversations video-
taped several weeks ago in Cali-
fornia, the 90-minute foreign
policy dialogue provided foot-
notes rather than new chapters
on the diplomatic triumphs and
trials of Mr. Nixon's presidency.
Some of Mr. Nixon's remarks
served, however, to elaborate on
the pragmatism with which he
broached big-power diplomacy.
The telecast made it clear that
he still is fascinated by it.

He made the following points:
• Mr. Nixon said he had reject-
ed an Egyptian plea for a joint
Soviet-U.S. military force to im-
pose a cease-fire on the Middle
East in 1973 because it would
have been "sheer madness" to
invite potential confrontation
between superpowers in so strate-
gic an area.

• Describing the Yom Kippur
war as an object lesson in the
(Continued on Page 2, Col. 7)

Callaghan, in Commons, Defends Envoy Post for His Son-in-Law

LONDON, May 12 (AP).—Prime Minister James Callaghan rose in the House of Commons today to defend his son-in-law, journalist Peter Jay, after the surprise announcement that Mr. Jay was to become the next British ambassador to the United States.

Replying to a barrage of criticism, Mr. Callaghan told a packed chamber:
"The only question is whether, because he was my son-in-law, I should refuse this appointment."
"Frankly I felt that if that was the only ground on which I should say 'no,' it would not be right to do so."
"My judgment may have been at fault but that was the basis on which I had to judge."

Mr. Jay, 40, is economics editor of the Times of London and has no diplomatic experience. He replaces career diplomat Sir Peter Ramsbotham, who has been named governor of Bermuda.

Mr. Callaghan seemed to confirm press reports that Mr. Jay's appointment was the result of Foreign Secretary David Owen's unhappiness over what he saw as the British Embassy in Washington during a visit in March.

Mr. Owen reportedly felt that Sir Peter, a 57-year-old Estonian, was out of time with the modern United States and particularly with the fresh image of the Carter administration.

Foes of Concorde Threaten To Halt N.Y. Airport Traffic

NEW YORK, May 12 (Reuters).
Opponents of Concorde today
threatened to jam traffic around
Kennedy International Airport
Sunday to protest a court deci-
sion to allow the French-English
supersonic airliner to land there.

The clogged-road technique,
tried three times before, is one
of several strategies being mapped
to thwart U.S. District Court
Judge Milton Pollack's decision.
The New York State Senate
and Assembly passed a joint res-
olution last night urging that New
York State Attorney General
Louis Lefkowitz enter the legal
battle against Concorde.

State Sen. Sheldon Farber,
whose constituents include neigh-
bors of Kennedy Airport, said to-
day that he and other legislators
were preparing several bills to
ban supersonic transports from
New York airports and permit
New Yorkers to sue for damages
caused by excessive noise.

A spokesman for the Port Au-
thority of New York and New
Jersey, which operates Kennedy
Airport, said today that its law-
yers were ready to move im-
mediately to seek a stay of any
court order permitting Concorde
to begin test flights at the air-
port and to appeal Judge Pol-
lack's decision.

Legal sources said today that
the next step in the legal battle
would take place next week when
British Airways and Air France
—which operate the SST—pro-
pose a court order that would
implement the judge's decision.
Once that order is submitted and
approved by Judge Pollack, the
Port Authority said, it will ask
the judge to stay execution of his
decision pending a review by an
appeals court.

If Judge Pollack refuses to stay
his order, a three-judge appeals
court is likely to be asked to
issue a stay. The legal sources said
that this further step could be
completed by June 30, the date
set by the two airlines for Con-
corde's first flight to New York.

No U.S. SST Soon

SEATTLE, May 12 (AP).—The
development of a U.S. supersonic
transport probably is not eco-
nomically viable, despite yester-
day's ruling that the ban on
Concorde at Kennedy Airport is
illegal, the Boeing Co. said.
"Although it is in the nature
of things today that speed and
ease of transportation move for-
ward, there are no current plans
that we know of for the resur-
rection of the SST—mainly be-
cause of the energy situation," a
Boeing spokesman said.

Pipeline Closure May Affect Exports at Saudi Oil Field Reported Under Control

Saudi Arabia, May 12
n explosion and fire
at Arabia's largest
oil field, the shutdown of
it has been brought
on, officials said to-
day.

son occurred yester-
day at a section of
ween two pumping
stations. An Arabian
Oil said.

ngers, president of
the fire is prac-
all intents and pur-
and the situation is
oil." He said that on
the size of the ex-
en exaggerations.

ther he thought the
used by sabotage, he
itely not. It was a
fire. It definitely was

el Many Hurt
mbassy official said
1 person was killed
0 injured, some re-
nd-degree and third-

tiols said the fire d-
within 12 hours and
sed to burn itself out
sig oil field, 35 miles
There is no longer a
ther a gas-processing
crude oil storage tank
they said.

d one, an Aramco
of the fire, but he
e damage was not as
ignificantly estimated. A
3 at a gas-processing
more serious, he said.
o spokesman also said
y, which produces
nd Arabia's oil out-
to meet this month's
schedule. But there
ation of when the Ab-
which produces about
els a day, would re-
ction.

ers said that exports
temporarily decreased,
of a major lessening
ion." He said the
oil being quoted as
e "far overblown."

to reports, the pipe-
was shut down has a
6 million barrels of
ally. But Mr. Jungers
figure is erroneous.
lot of pipelines that
that area, so that
erroneous, there's not
of loss at all."

e of the explosion was
stagnated.
st and resulting fire
at least one oil storage
said.

Oil-industry sources said that
Saudi Arabia has about a three-
day supply of crude oil stored at
its Ras Tanura terminal on the
Gulf, from which most of its oil
is exported. This supply could be
used to make up for decreased
output, they said.

They said that if production is
cut in half because of the fire for
more than a week—to about 5
million barrels a day—the inter-
national oil market might be af-
fected.

Implementing provisions of
last year's U.S.-Spanish treaty
before going to Tehran, Mr.
Vance called talks with Spain's
post-Franco leaders "instructive
and useful." He expressed "great
admiration" for the monarchy's
democratization program after
meeting with King Juan Carlos.

The combined military sta-
headquarters will be set up in
Madrid with a preliminary session
by a joint military committee
scheduled within 40 days, Spanish
Foreign Minister Marcelino Oreja
Acquiere told reporters. The re-
sponsibilities of the staff are to
be pinned down at the next
Spanish-U.S. talks, probably next
fall, U.S. officials said.

A joint communiqué issued
before Mr. Vance left for Central
Treaty Organization talks said
Spain had been briefed on the
NATO meeting in London. It
also noted that a key objective
of both countries was "closer ties
in the European and Atlantic
area."

Mr. Vance arrived in Tehran
later tonight.

Eventual NATO Entry
U.S. officials said the meetings
would help prepare Spain for
eventual entry into NATO.

Mr. Vance described the meet-
ings with Spanish officials as
"excellent," "very instructive,
friendly and warm." The secre-
tary said he and the King, in
their one-hour meeting, discussed
bilateral and international mat-
ters.

A main purpose of Mr. Vance's
visit to Madrid was to attend a
meeting of the U.S.-Spanish

In Japan, which imports about
2 million barrels of Saudi oil
daily, word of the fire triggered
fears of higher oil prices and
near-panic trading on currency
and stock exchanges.

Total Saudi production has
been averaging 8.5 million barrels
daily. Of this output, 1.5 million
barrels goes to the United States
and more than 5 million barrels
to Western Europe.

It was the second major inter-
ruption in Saudi oil operations re-
ported this year. In January, bad
weather curtailed loading at Ras
Tanura. But there was no oil
shortage as a result and no in-
crease in prices for gasoline or oil
products on foreign markets.

Most of the oil carried by the
pipeline comes from the Ghawar
field, the world's largest, about
60 miles to the south. A consular
official said efforts were being
made to channel the crude oil
from Ghawar to the Gulf ter-
minal via other pipelines.

The President further explained
that part of that commitment
entails that Israel be supplied
with adequate weapons to defend
itself.

Israeli leaders have recently ex-
pressed fears that the Carter ad-
ministration would not give Israel
access to the latest U.S. weapons
or allow Israel to co-produce ad-
vanced weapons systems.

Speaking of that concern, Mr.
Carter said that Israel is among
the small group of nations which,
because of "long-standing histor-
ical commitment, do have a spe-
cial relation with our govern-
ment." He added that this
relationship included the right to
co-produce weapons systems
with the United States and the
right to buy advanced U.S. weap-
ons.

Stand on Recognition
The President also said that
the United States had agreed not
to recognize the Palestine Libera-
tion Organization "as long as the
PLO continues to espouse the
commitment to destroy Israel."

However, Mr. Carter did ex-
press the hope that the Arab
nations might persuade the Pales-
tinians to "make moves to recog-
nize the right of Israel to exist."
This would remove one of the
major obstacles toward further
progress in the Middle East.

On other foreign matters, the
President said he has not made

Another focused on a \$4.6-mil-
lion scientific and technical ex-
change program between Spain
and the United States. Still an-
other was concerned with a \$2.4-
million cultural exchange pro-
gram.

A group on economics focused
on items such as Mr. Suarez's
complaints to President Carter
on the Premier's visit to Wash-
ington last month that 35 per-
cent of the dollar value of
Spanish exports to the United
States is subject to duties. U.S.
products get free access to
Spanish markets. U.S. officials
have been sympathetic to
Spanish concerns over the \$1.5-
billion deficit this has helped to
create in trade with the United
States.

Spain's steps toward democracy
have neutralized much of the
opposition to NATO membership
by nations such as Norway and
Denmark.

"There is a feeling there that
if Spain wants to join NATO,
and if [this democratization]
process continues," the answer
will be "yes," said a U.S. official
traveling with Mr. Vance.

A working group of the coun-
cil explored military planning.

Italy's 'Cancer Factory'—Turin Court Pieces Together Industrial Disaster

TURIN, May 12 (Reuters).—
A Turin court is painstakingly
piecing together the story of an
industrial disaster far greater
and deadlier than any that
Italy has known.

It is the story of the so-called
"cancer factory," a dyes plant
at Cirié in Piedmont, where 133
workers are said to have died
from confirmed or suspected
cancer of the bladder during
the last 20 years. Five other
workers have the disease and
fear that it will soon kill them,
too.

Five men are facing charges
of multiple manslaughter and
causing serious physical harm.
They are the factory's three
owners, Sereno, Alfredo and
Silvio Ghisotti; its general
manager, Paolo Rodano, and

the factory doctor, Giovanni
Mussa. A sixth defendant, tech-
nical director Pietro Calorizi,
died before the trial opened.

The principal accusers are 13
families of dead or sick work-
ers. Nine other families with-
drew from the case in return
for compensation from the
company ranging from 2,500,000
lire (\$323) to 11 million lire
(\$12,415), to the bitterness of
the others.

"We want justice, not money,"
a relative said. "We don't want
people to die from cancer in
factories again."

The trial made legal and in-
dustrial history at its opening
last month when the Chemical
Workers Union, in addition to
the families, was allowed to
take civil action against the
company.

Witnesses told the court that
workers at the plant, Industrial
Piedmontese Coloranti all'Ani-
lina (IPCA), frequently fainted
at work. They usually were
taken to a field where a bucket
of water was thrown on them.

Many complained of blood in
their urine, but said that the
factory doctor told them to
"drink less and smoke less."

They said that they were
given milk to drink to counter
the toxic effects of the sub-
stances they worked with.

Pain Described
Widows told how their hus-
bands died in excruciating
pain. Workers with the disease
described their suffering. "You
can't imagine the pain," one
told the court.

The debate in court, much of
it highly technical, has focused
on two substances used at the
plant, betanaphthylamine and
hemidine.

The prosecution says that these
are widely known to cause
cancer of the bladder and that
where they are still used they
are processed in closed ma-
chinery, not exposed to the air
as at IPCA.

The defense says that neither
the substances nor the process-
ing method was banned by law
and that factory inspectors had
not objected.

Eastern Nations Bar Carter Bid On Troop Cuts

VIENNA, May 12 (AP).—The
Warsaw Pact nations today re-
jected the terms of President Car-
ter and of NATO on troop cuts
in Central Europe.

The rejection was made in the
opening session of a new round
of discussions here on troop re-
duction. Observers said that this
made an early breakthrough in
the talks highly unlikely.

Ingo Oester, the chief East
German delegate to the talks, turned
down two main points concerning
troop cuts made by Mr. Carter at
the London NATO meeting and
repeated in a NATO communiqué.

One point reaffirmed the over-
all NATO objective of establish-
ing an approximate parity of
ground forces of the two al-
liances. In view of the NATO
claim that the Warsaw Pact has
a numerical superiority, this
meant that the East should cut
more than the West.

The other referred to the
NATO move a number of years ago,
to reduce the number of U.S. nu-
clear warheads in Central Europe
in exchange for Soviet cuts of
ground forces and tanks.

In Debate With Barre

Mitterrand Says He Opposes Communist Economic Plan

PARIS, May 12 (UPI)—Socialist leader Francois Mitterrand said in a nationwide television debate with Prime Minister Raymond Barre tonight that he was opposed to the social welfare program published by the Communist allies.

Mr. Mitterrand, facing Mr. Barre's charges that the left would ruin France and turn it into an impoverished "people's democracy" if it gained power next year, said that he would not approve the Communist party's financial platform.

Mr. Mitterrand said that the Socialists would seek compliance with the provisions decided with other leftist parties in their 1972 common program.

The Socialist leader appeared largely on the defensive when Mr. Barre attacked the Communist party's announcement two days ago that if the left won the March 1978 parliamentary election, it would push through a 500-billion franc (\$100 billion) program of social welfare measures and heavy business taxes.

"How do you want me to accept a leftist common program that would not be a leftist common program?" Mr. Mitterrand asked.

Mr. Mitterrand said that he would oppose the Communist plan when he meets Communist party leader Georges Marchais and leftist Radical Socialist leader Robert Fabre Tuesday to update the common program of the left, drafted before the 1973 oil crisis that sparked the worldwide recession. He said that the left was certain to overcome its differences.

Mr. Mitterrand said that largely under Socialist pressure, the Communists dropped their party line on the dictatorship of the proletariat, accepted the existence of the European Economic Community and of the French nuclear deterrent.

He said that the government coalition led by Mr. Barre was

unable to solve France's economic difficulties because, he asserted, it was bowing to interests of multinational societies. He also said that France was surrendering to U.S. monetary and economic domination of the West.

Mr. Barre said that a leftist victory would plunge France into isolation, strangle its business system and turn it into "a people's democracy," in which French citizens would see foreign tourists ride around their country in automobiles while French living standards would decline.

Mr. Mitterrand said that one of the problems in debating before the public was that Mr. Barre represented "a policy which is expiring, and mine does not exist yet."

The leftist parties will start next week updating their 5-year-old common program for government. The left is given a good chance of winning the national election next March.

The Socialist leader accused the Prime Minister, a reputed economist, with having put the French economy "into hibernation." He said that "selective inflation" was the only means of overcoming inflation and unemployment.

Mr. Barre replied that all the chiefs of state and government at the London summit conference were "very prudent" on inflation and that even President Carter, "who is supposed to represent new policies, has stopped all inflationary measures." He noted that Mr. Mitterrand's theories had not been adopted in any other country, even by Socialist governments.

Yesterday, the French Communist party decided, in a major about-face, it would maintain the French nuclear deterrent if the left won next year's election. The decision had not been made in concert with other leftist parties.

This point was not discussed during the debate.

Called 'Victor of London'

Bonn Hails Schmidt Tactics With Carter as a Triumph

By Craig R. Whitney

BONN, May 12 (UPI)—Chancellor Helmut Schmidt has come back from his London meetings with President Carter with a widely acknowledged personal and diplomatic triumph, something he badly needed on his domestic political front.

Even his opposition here concedes that, on the really important matters, Mr. Schmidt succeeded. As Bonn views the summit, Mr. Schmidt imposed the West German view that inflation, not unemployment, is the biggest economic danger before the West. And Mr. Carter compromised more than Mr. Schmidt did to avoid a clash on the most sensitive point brought up at the meeting—the U.S. fear that West Germany's nuclear export policies could lead to the spread of atomic weapons.

"Let me say a personal word," the Chancellor said in the Bundestag this morning. "In Jimmy Carter, the United States has a new President who is tackling the problems of his country and the Western world with energy and vigor." He described his relations with the Carter administration after the talks as "close, friendly and full of mutual trust."

West German officials are planning up the summit as a success due mostly to Mr. Schmidt and

Mr. Carter, perhaps with a little help from their British host, Prime Minister James Callaghan.

The respected conservative daily Frankfurter Allgemeine Zeitung, not exactly one of Mr. Schmidt's supporters in recent months, hailed him as "the victor of London" in a front-page editorial this week. "The notion that the Federal Republic of Germany is an economic giant but a political dwarf is outdated. The London summit marks a turning point," it added.

Mr. Schmidt did play a key role, a more independent one than most of his predecessors, when it came to relations with the U.S. ally. But, as in his election campaign here last October, there was a domestic political message in Mr. Schmidt's posturing: West Germany has something to say to the rest of the world and its policies, ideas and Chancellor are respected abroad if not at home.

Mr. Schmidt told parliament today, to applause, that the key element of West German economic policy—that "inflation does not reduce unemployment, on the contrary, it is one of its major causes"—had been adopted in those words in the London summit communiqué.

The only West German concession to earlier calls from Britain, France and the United States to expand its economy more vigorously was Mr. Schmidt's pledge to make sure the gross national product grows by 5 per cent this year. So far even that modest target looks unlikely to be achieved, with most non-governmental predictions closer to 4 per cent.

A-Fuel Issue

On the divisive nuclear issue, Mr. Carter had been openly critical of Mr. Schmidt earlier this year for agreeing to sell Brazil nuclear fuel reprocessing and enrichment technology that could be used to make atomic bombs. Now Brazil has been accepted in Mr. Schmidt's eyes, as part of a broader worldwide problem of control and security of peaceful nuclear technology that all countries, whether buyers or sellers, should work together to try to solve.

"Schmidt and Carter explained their points of view to each other very directly," a West German official who was in London said. "They didn't agree, but they put Brazil behind them. Carter didn't try to impose his views and the summit set up a study group to set up the framework for a further discussion."

Mr. Schmidt believes that countries on the threshold of being able to develop their own nuclear technology have to be brought into the discussions if they are to succeed, and told Mr. Carter so in London.

"These discussions cannot be conducted by the industrial nations alone," Mr. Schmidt emphasized today. "Third World countries—especially the threshold countries—should be brought in as soon as possible."

"The disagreements with Carter on this will very probably come up again at some point," one of the Chancellor's staff aides said. "But at least Schmidt doesn't have a complex about Carter anymore, not even about his height."

Bhutto Asserts Rapid Settlement Of Crisis Unlikely

ISLAMABAD, Pakistan, May 12 (UPI)—Prime Minister Zulfikar Ali Bhutto said tonight that a quick settlement of Pakistan's 3-month-long political crisis was not likely.

He opened a press conference at the National Assembly with the words: "I have nothing exciting to report," adding that a dialogue was necessary with the right-party opposition Pakistan National Alliance to reach a political solution.

Mr. Bhutto dampened speculation that he had reached a compromise agreement with the PNA, which charges that he rigged general elections in March. It has demanded his resignation and new elections.

Since the elections, opposition protests and violence have cost at least 250 lives, disrupted most major cities and towns and seriously affected the economy.

Photos Held Up

RAWALPINDI, Pakistan, May 12 (UPI)—Pakistan state television officials have stopped eight Associated Press photographs of political disturbances from being transmitted abroad since last Friday.

Foreign news dispatches, however, remain free of censorship. Imposition of de facto censorship blocked photographs of unarmed demonstrators killed or army troops in Lahore, a ransacked mosque in Rawalpindi and anti-government protests in Karachi.

Portugal-Israel Ties

LISBON, May 12 (UPI)—Portugal announced today the establishment of full diplomatic relations with Israel.



Rome police stand by as tear gas fills air following police charge against left-wingers.

1 Dead as Police, Demonstrators Clash In Rome

From Wire Dispatches

ROME, May 12.—Gunfire killed a 19-year-old girl and wounded several persons today in fighting that spread from the Piazza Navona through central Rome after police broke up a rally with tear gas.

Police said that the victim, Giorgia Masi, was shot through the abdomen and died to death.

Bullets wounded another girl in the leg and a policeman in the wrist. A young man was hit in an eye by a tear gas grenade and a news photographer was clubbed on the head. A reporter, Fabrizio Carbone, of La Stampa, said a policeman kicked him in the stomach while he was showing his press card. The demonstration marked the 3d anniversary of the referendum that upheld Italy's

1970 law allowing divorce.

Before the demonstration arrived, police dismantled loudspeakers set up by the party in the square. Officers ringed the area next to the Senate. They used tear gas when the demonstrators entered the square and threw stones and firebombs at them, police said. Hundreds of youths ran through the narrow streets of central Rome to escape.

A Vote for Change

Liberal South African Wins Key Election Against Rightist

By Robin Wright

JOHANNESBURG, May 12 (UPI)—In an important special election South African Foreign Minister P. W. Botha won a seat in Parliament yesterday in a fiercely contested race against ultraconservative Jan Nel that was viewed as a test of public attitudes toward change. He was sworn into office today.

The election for a vacant seat from Westdene, a suburb of Johannesburg, has also been considered a showdown between two factions of Afrikaners, the

descendants of the 17th-century Dutch settlers who have dominated the government since 1948. The two liberal opposition parties did not put up candidates. Mr. Botha, who until two months ago was Ambassador to the United States and to the United Nations, ran on what was considered the most liberal platform since the Afrikaner-dominated National party took power.

In a campaign speech he said: "I am prepared to go to war over our (white) right to exist, but I'm not prepared to die for signs in a lift," referring to separate amenities for the two races.

Against Social Discrimination He has said that social discrimination in South Africa should be eliminated, although he still supports separate political power through African homelands—a scheme giving blacks statehood and political sovereignty in the nine tribal reserves during the next few years.

His opponent from the Herstigte Nasionale party (HNP), the most conservative white group in the country, told voters it was a medical fact that the African brain is 15 per cent smaller than the white brain.

"Somewhere between the ape and the white race lies the black race," Mr. Nel said recently.

During the bitter campaign, the HNP stressed that "with P. W. Botha's future is black black," meaning that Mr. Botha's attitude would lead to too many rights for South Africa's population of 18 million blacks, who outnumber whites by more than 4 to 1, and endanger white rule. The HNP also charged that Mr. Botha was a "paid agent for foreign powers."

Although Mr. Botha was considered an easy winner, the results were watched closely to see how serious the HNP threat was to the government party.

Many observers contend that Prime Minister John Vorster is cautious about change because of his fear of the HNP.

Although the HNP is the smallest white party and never has held a parliamentary seat since it broke from the National party in 1969, government officials believe that any significant change might lead to a mass exodus from their party to the HNP.

Mr. Nel said recently that white voters were "fed up" with the dismantling of apartheid and with South Africa's repeated humiliation abroad under Mr. Vorster's leadership. The National party has been concerned by that possibility.

Mr. Botha's overwhelming victory is the first solid indication that the HNP does not have much backing even in a conservative district.

On the other hand, there is the evidence of two Katangans prisoners who claim they were trained for two months before the assault by men they called Cubans. Still, in the first month of the fighting, as Zaire's forces were in steady retreat, Angola took the position that it had nothing to do with the invasion, and that what was involved was a purely internal affair in which a group of nationalists was seeking to topple Mr. Mobutu's government.

This was the line taken early last month in Paris by one of the leaders of the National Front. Beaming confidently, he explained that the reason the insurgents had not yet taken Kolwezi, a copper center that produces

nearly 70 per cent of the country's foreign exchange, was a concern for African opinion. "If we take it now, Mobutu can say we are puppets of a foreign government," he said. "If we stay around, politicize the population and take it in a few weeks it will be a popular uprising."

In retrospect, this appears to have been a miscalculation. For within a week 1,500 Moroccans were being airlifted to Kolwezi. Bolstered by the reinforcements, the Zairean forces gained confidence, the counteroffensive began and it was the Katangans' turn to disperse.

The aid from Morocco and France was Mr. Mobutu's master stroke. How he obtained this assistance is not fully known. At first he turned to the United States, which had been his chief

'Threshold' Nations Cited

Carter Focusing His Nuclear Policy

By Paul Lewis

LONDON, May 12 (UPI)—President Carter is expected to focus his drive to stop the spread of nuclear weapons on a list of 12 to 15 countries that are deemed to be on the "nuclear threshold."

These threshold countries are considered capable of building their own nuclear weapons and in some cases appear to have all the necessary materials and technology. All of them also have political reasons for wishing to possess nuclear weapons.

However, there is a debate among officials and experts on whether the best way to stop them from building nuclear weapons is by denying them access to critical technology or by making them feel they do not need such weaponry for their safety.

Up to now, the Carter administration has tended to stress the need for physical controls over the flow of sensitive nuclear technology to countries which might want it to develop nuclear weapons.

London Suppliers Group

This is the essence of the various proposals which the United States has made in the so-called London suppliers group, a body of about 15 nations with nuclear industries of their own which are trying to draw up new anti-proliferation rules and regulations.

These are intended to stop threshold countries from acquiring the "sensitive nuclear technologies" for making plutonium and highly enriched uranium, which are the two main explosives.

But some authorities on the subject think that in the long run the most effective way to stop more countries from acquiring nuclear weapons is to persuade them that such weapons are not necessary for their own protection.

President Carter highlighted the problem of the threshold countries at a news conference here last weekend, during the summit of Western leaders.

After noting that there are now "12 or 15 nations which are referred to as threshold countries," the President continued: "These are the countries that have not yet acknowledged that they have an explosive nuclear capability, but we think they do, or will very shortly."

Addressed This Year

How to deal with such countries was "a very difficult question," the President said, which had been "avoided, apparently, in years gone by." But he vowed that "it will be addressed this year."

There is widespread agreement among nuclear experts on the names of the threshold countries and the reasons why they might go nuclear. Most are in the developing world, all have nuclear reactors of their own and all have the necessary technical and industrial skills as well as the means of delivering a nuclear bomb against an enemy.

These threshold nations thus do not include countries like West Germany or Belgium, which prefer to rely on the U.S. nuclear umbrella over Europe for their protection, although they have advanced nuclear industries and could develop a bomb of their own very rapidly if they wanted to.

The most recent list of threshold countries appears in the Ford Foundation study entitled "Nuclear Power: Issues and Choices," published earlier this year.

This study lists Israel, South Africa, South Korea, Taiwan and Yugoslavia as "insecure states," which might be tempted to develop nuclear weapons because of their exposed position in the world.

Another four countries are called "status-seeking states," which might want nuclear weapons for prestige reasons. These are given as Brazil, India, Iran and Spain.

Finally, there are four traditional rivals of these status-seeking countries which might try to match their nuclear ambitions. The study describes Argentina as a rival of Brazil, Egypt as being worried by Israel, Pakistan as India's rival and North Korea as an enemy of South Korea.

The Ford Foundation list differs only slightly from a list drawn up in 1974 by the International Institute of Strategic Studies in London. The IISs list includes Chile, Indonesia and Japan, but does not mention North Korea or Yugoslavia.

The IISs pointed out that only India and Japan on its list had any experience in rocketry that might enable them to build a nuclear missile. But it noted that all the countries on the list possessed modern jet bombers capable of delivering a simple nuclear bomb.

The IISs study also noted that five of the nations on its list already had the means of making highly enriched uranium or plutonium—Argentina, Israel, India and Japan can separate plutonium from used reactor fuel, while South Africa has a uranium-enrichment capacity.

The Carter administration recently tried to make Germany cancel the sale of enrichment and plutonium-separation plants to Brazil and to stop France from supplying a plutonium-separation plant to Pakistan.

But the real problem, according to Richard Burt of the IISs, is to change a government's inten-

tions, not to curb its car. He pointed out that enrichment and separation techniques are coming easier and cheaper.

The Ford Foundation stressed the need to change intentions of governments, rather than the expansion of nuclear power, as most of the threshold will make it progress for them to acquire a missile.

The study suggested United States should security guarantees to states like South Korea and Taiwan while stressing their rivals in the dissuading them from nuclear weapons.

Another way for the United States to curb nuclear proliferation, the study said, is to promote regional peace in tense areas like East, southern Africa;

Nixon Explains His Policy Minimizes Kissinger's Role

(Continued from Page 1)

value of détente, Mr. Nixon recalled that Mr. Brezhnev had "hammered me" at a mid-1973 summit meeting about the necessity of an Israeli withdrawal from occupied Arab lands and the president had stipulated that the United States "will not let Israel go down the tube."

As a consequence, Mr. Nixon said, the nuclear alert he ordered during the war, in response to an "ominous" note from Mr. Brezhnev threatening unilateral intervention in the Middle East, was "a message which would get through" to Moscow.

Neither Mr. Nixon nor Mr. Frost noted that the alert came shortly after the so-called Saturday night massacre of the Watergate period and that contemporary reports suggested that Mr. Nixon approved, rather than initiated, the alert.

Acknowledging that the United States had forced Israel to forgo an opportunity to destroy the Egyptian 3d Army, Mr. Nixon compared his method to that of the film version of a Mafia "godfather," saying of the Israelis, "we gave 'em an offer that they could not refuse."

He contended that the imposed military restraint had been in Israel's self-interest—a view not shared in Tel Aviv—because such a "Pyrrhic victory" would have led to the emergence of radical Egyptian leadership wedded to Moscow and bent on "a war of revenge such as you've never seen."

The former president conceded he had remained silent in public about the "cruelty" with which Pakistan sought to put down the rebellion in Bangladesh in 1971, drawing India into the war that liberated the territory. Mr. Nixon confirmed that he did so out of concern that India would have "gobbled" up Pakistan and disrupted Mr. Nixon's then-secret overtures, through Pakistan, to China.

"We saved West Pakistan because it was right," he said. "We also saved it, it's true, because it was the only way to do with our China initiative. The Chinese were putting a lot of pressure on us to do something." Tilted toward Pakistan in the 1971 war, he said, "built up a lot of credibility with the Chinese."

In a rare allusion to current events, Mr. Nixon implicitly criticized President Carter's public campaign for human rights in other nations, the Soviet Union.

He said that it would have served "no particular purpose" to

have condemned West publicly in 1971 and, paired the situation with actions on emigration laws.

"Let me tell you," president said, "if I out in my first year in 1969—or in 1970 or in 1972—and made a big play, speaking to the press or something like that, to say that the Soviet Union was doing this to the Jews, the Kres would have come down of 'em would have gone in the most time, yet of the pragmatism of his policies, Mr. Nixon answered always."

Mr. Nixon said that he made progress toward standing the problem allies' during over the first time since many years ago, all patting countries are. "We are proud of the genius of Spain and a democratic system."

Mr. Nixon: He told the news conference personally think (I did violate the law... was guilty of impefenses. I don't believe he was."

Mr. Carter said that he had deplored interviews because it wanted to see the subject, which they felt in damaged the UN's respect.

• FBI indictments: dent said FBI agents are immune from prosecution merely for work for the government.

• China: He said not set a target date for full relations because of continuing in settling long-standing claims and over difficulties over Taiwan.

• Welfare: He expected Congress will put early next year the welfare system, thing went exactly o it would take about year to implement it he said.

• Government said Carter said that "the women on my staff ar paid," adding that he pay increases for Congressional and the WI staff were justified.

• Organized labor that AFL-CIO president Meany's criticism of administration for its public works program immun-wage increase mean any rupture in "tensionship."

• Balanced budget: A McGovern speech him for being willing domestic programs to of a balanced budget, dent defended his a tion's record on only grams. He said McGovern was the only who had spoken out a program.

Israel Reports Immigration Up

JERUSALEM, May 12 (UPI)—Immigration to Israel during the first four months of this year was slightly higher than for a similar period last year, the Jewish Agency announced yesterday.

The agency, which is in charge of immigration, said that 5,980 immigrants arrived compared with 5,928 last year.

The largest group—2,063 persons—came from the Soviet Union, although it represented a drop from the 2,356 who arrived last year. The agency said that in previous months, 51 per cent of those leaving the Soviet Union went to countries other than Israel.

supporter for some years, and was hurt by the lukewarm response from Washington, where assertions of Cuban and Soviet involvement were treated skeptically.

In France he had a more sympathetic friend, President Valéry Giscard d'Estaing had been under pressure from his country's two closest African allies, Senegal and Ivory Coast, to do something for Mr. Mobutu. Furthermore, French economic interests in Zaire have increased.

Finally, Mr. Giscard d'Estaing was under some pressure to make a dramatic gamble that might stem the growing shift to the left in his own country. France acted boldly. There is widespread suspicion that France underwrote the Moroccan commitment in Zaire, but this has not been confirmed.

But by pulling the I and the French out of Mr. Mobutu has for th survived his most severe in the 12 years o and his stock in A soared.

In any case, the tide shifted. The Angolans allies found themselves in a precarious position. It escalated their aid to students in Shaba, they were giving the lie to earlier insistence of involvement.

The Katangans have gathered for 17 years are likely to vanish. There are still about them living in Angol could infiltrate in small and harass the troops.

But by pulling the I and the French out of Mr. Mobutu has for th survived his most severe in the 12 years o and his stock in A soared.

ملكا من الدول

al Consideration Vowed

ter, Senators Said to Set
promise on Israeli Arms

INGTON, May 12 (AP).—President Carter and pro-Israel senators reached a compromise today to allow the Jewish special consideration in U.S. arms and technology sources reached.

The original amendment included a reference to a section of the 1974 Sinai agreement between Israel and Egypt in which then Secretary of State Henry Kissinger promised Israel a large number of F-16s and co-production rights.

However, although that specific reference would be eliminated, Mr. Carter promised to write a letter to Sen. Hubert Humphrey, D-Minn., assuring him that the United States would honor all previous commitments concerning arms supplies to Israel.

The congressional sources said Mr. Carter objected to having language explicitly carrying out a promise made by Mr. Kissinger. The Israelis had feared that Mr. Carter would seek to restrict Israeli military capability as part of a plan to impose a U.S. solution on the Middle East.

The sources said the President apparently misread Israel's determination on the matter and did not realize the support for Israel in the Senate.

Investigation
Of FBI Aides
Is Stepped Up

By Ronald J. Ostrow

WASHINGTON, May 12.—Justice Department investigators are enlisting the aid of a federal grand jury here to pursue top FBI officials allegedly responsible for illegal break-ins—the first sign that Attorney General Griffin Bell has given a go-ahead to the controversial probe.

The status of the case has been unusually secret since the furor following last month's indictment of John Keady, a former FBI supervisor in New York, on wiretapping and mail-opening charges.

Mr. Bell was asked yesterday by Sen. Edward Kennedy, D-Mass., about further indictments in the case during a hearing of the Senate Judiciary Anti-Trust subcommittee.

Mr. Bell, in reply, referred to "another grand jury that I suspect will develop other information. I'm not quite ready to say whether more indictments will follow" until "I get more facts."

Jury in Washington

The investigation so far has been handled primarily by a federal grand jury in New York that returned the Keady indictment. It was learned subsequently from knowledgeable sources that the panel to which Mr. Bell referred would operate in Washington and take testimony about alleged roles of present and former FBI headquarters officials.

One of those officials, Mark Felt, former assistant head of the bureau, said the empaneling of a grand jury here "makes sense" because the investigation is looking into his role and that of former assistant FBI director Edward Miller and "two or three officials [still at] bureau headquarters."

Not Contacted

Mr. Felt and Mr. Miller, in interviews, said they had not been contacted by the new grand jury. Both men testified before another grand jury last summer after they publicly declared they had approved burglaries by FBI agents in 1972 for intelligence-gathering purposes.

The campaign against the indictment and further investigation took a new turn yesterday when Sen. Eldon Rudd, R-Ariz., a former FBI agent, charged that "some members" of the Carter administration sought to drag federal law enforcement officials through the mud.

Los Angeles Times

Bulgaria Ousts
Party Official

SOFIA, May 12 (AP).—The Bulgarian Communist party today ousted one of its Central Committee secretaries for "considerations of expediency."

In reporting the ouster of Boris Velchev, who was made chairman of the committee on party and state control in 1962, the news agency BTA gave no other details.

Mr. Velchev had been responsible for foreign policy and international relations. His post was taken by Dimitar Stanchev, editor in chief of the party newspaper, Rabotnichesko Delo.

U.S. Nuns Lose Case
Over Milk Substitutes

NEW YORK, May 11 (UPI).—A federal judge dismissed yesterday a complaint by a Roman Catholic order of nuns against Bristol-Myers Co. concerning its marketing of mother's milk substitutes in Third World countries.

The Sisters of the Precious Blood, a 335-member order based in Dayton, Ohio, wanted to get before a special stockholders meeting its position that to abandon breast-feeding in the underdeveloped countries could be dangerous. Bristol-Myers had recommended that the nuns' proposal to air their position be rejected and it was.



GRAIN FIRE—Minneapolis firefighters battling flames of grain elevator fire in St. Louis Park Wednesday. At least one person was critically injured and a whole neighborhood had to be evacuated. The blaze erupted with an explosion that destroyed two elevators containing barley and rye. Loss is estimated at \$10,000,000.

Pa. Governor Told to Repay
\$300,000 in Election Funds

WASHINGTON, May 12 (AP).—The Federal Election Commission today ordered Pennsylvania Gov. Milton Shapp to return \$289,000 in federal funds he received last year for his short-lived presidential campaign.

Five members of the commission voted for the refund. Commissioner Joan Aikens, a Pennsylvanian and a Republican member of the commission, abstained.

The decision was the first of its kind made by the commission. Gregory Harvey, a lawyer representing the Shapp for President Committee, said that he expected the governor to request a hearing before the commission.

He said that "the matter may well be tested in the courts." Mr. Harvey said that the investigation had not found "any shred of evidence the governor had any knowledge of these things."

Avoids Reporters

In Harrisburg, Gov. Shapp refused to leave his office today for a scheduled ceremonial function because reporters were waiting to ask about the commission's decision.

His press secretary, Mike McLaughlin, said that Gov. Shapp would discuss the matter at a press conference tomorrow morning.

"There's no allegation that the governor has done anything wrong," Mr. McLaughlin said. "When you have that many people working, raising money... there's a certain amount of control you can exercise and beyond that you're pretty much helpless."

Under the law, Gov. Shapp is personally responsible for repaying the federal funds.

Shapp committee officials have said they had little money on hand and still faced debts from Gov. Shapp's brief run for the Democratic presidential nomination.

Blumenthal Says
Broad Cuts in
U.S. Tax Studied

CHICAGO, May 12 (Reuters).—Treasury Secretary Michael Blumenthal said yesterday the Carter administration was considering lowering taxes over a broad range as part of a tax-reform package.

He said that the administration hoped to cut unemployment to about 6.7 per cent by the end of the year.

In a speech to the Economic Club of Chicago, Mr. Blumenthal said the three goals of President Carter's tax reforms would be simplicity, equity and capital formation.

The administration is studying tax proposals to "simplify the system by limiting certain deductions and allowing reduced tax rates over the entire range," Mr. Blumenthal said.

He said the administration also was considering ending the double tax on corporate income created by the corporate income tax and tax on dividends paid to individuals.

U.S. Launches
Military Satellites

CAPE CANAVERAL, Florida, May 12 (UPI).—Two Triple-7 satellites equipped with sophisticated anti-jamming equipment were launched today as part of a program to rebuild the U.S. military's global communications network.

The satellites were launched atop an Air Force Titan III-C rocket.

The \$68-million satellites, equipped with devices designed to protect military communications from jamming or eavesdropping, will be placed in orbits over the Atlantic and Pacific Oceans. They are expected to become operational early this summer.

EFTA Meets Today

VIENNA, May 12 (AP).—Government leaders of the seven European Free Trade Association (EFTA) countries arrived here today for a meeting tomorrow to discuss free trade, especially in Western Europe.



Milton Shapp

Congress Unit Cuts \$5 Billion
From Carter Defense Figure

By James L. Rowe Jr.

WASHINGTON, May 12 (WP).—House of Representatives and Senate conferees yesterday agreed to a compromise 1978 budget goal that provides for \$118.5 billion in defense funding, about \$5 billion less than President Carter requested.

The three-day conference almost broke down several times as the Senate tried to keep the level near its proposed \$123.3 billion for defense, while the House tried to hold to its \$117.1-billion proposal.

There was no specific debate about what, if any, defense programs would be sacrificed at the lower spending level, although congressional defense experts later said most cuts presumably would have to come in weapons procurement.

The debate was mainly a symbolic rather than a real one, said House Budget Committee Chairman Robert Giallardo, D-Conn. He said that the difference of about \$13 billion in a \$120-billion item would not have significant impact on Pentagon operations.

House Concern

But House conferees were concerned that, if there was much of an increase for defense spending, they would not be able to get a conference report approved on the House floor.

Two weeks ago, the first version of the House's preliminary budget for fiscal 1978 (which starts Oct. 1) foundered because it contained too much defense spending for liberals and too big a deficit to satisfy conservatives.

The budget that conferees agreed to yesterday—which Congress uses as a guide in allocating funds during the summer—is only a target. Congress must pass a final budget by mid-September.

The conference compromise, which both Rep. Giallardo and Senate Budget Committee Chairman Edmund Muskie, D-Maine, said they think will be approved, contains a deficit of \$64.65 billion.

Deficits Differ

Mr. Carter has recommended a budget with a deficit of \$77.9 billion. The congressional version proposes to spend \$460.95 billion overall, which is actually \$1.65 billion less than the Carter recommendation, but because the President anticipates \$8.4 billion more in tax receipts than Congress does, his deficit is smaller.

Japan Also to Be Consulted
U.S. to Discuss Troop Withdrawal With Seoul

By Bernard Gwertzman

WASHINGTON, May 12 (NYT).—The United States will begin formal consultations with South Korea later this month on the eventual withdrawal of U.S. ground forces from that country, the State Department said yesterday.

The department announced that President Carter had instructed Gen. George Brown, chairman of the Joint Chiefs of Staff, and Philip Habib, under secretary of state for political affairs, to fly to Seoul to begin talks May 24 in fulfillment of Mr. Carter's decision to pull out the 33,000 U.S. Army troops in the next four to five years.

Because of Japan's concern over the security situation on the Korean peninsula, Gen. Brown and Mr. Habib will confer in Tokyo with Japanese officials after the Korean meetings, the department said.

The announcement follows weeks of discussions within the Carter administration on Korean policy.

During the presidential campaign, Mr. Carter advocated a phased withdrawal of U.S. ground forces from South Korea in consultation with Seoul and Tokyo.

State Department officials said that Gen. Brown and Mr. Habib would take with them possible withdrawal timetables as a basis for discussions.

In the early 1970s, the Nixon administration withdrew 30,000 troops from South Korea as part of a plan to make the Koreans responsible for their own defense. But further withdrawals were canceled because of a threat by Seoul to withdraw its troops from South Vietnam and because the

United States was unable to fulfill a pledge to modernize South Korea's military equipment.

Following the collapse of South Vietnam two years ago, the United States shelved the idea of further troop withdrawal for fear that it might encourage North Korea to attack the south.

Moreover, Ford administration officials said privately that, along

with Japan's concern, China had expressed the view that the Soviet Union might try to take advantage of any power vacuum resulting from the removal of U.S. troops.

More Aid Sought

The question of South Korea's ability to defend itself will inevitably be raised, State Department officials said, during the talks in Seoul. The Carter administration is asking for \$350 million in military credits for the 1978 fiscal year and plans an additional \$100 million in arms sales.

A senior official said that he expected the aid total to be increased as the United States withdrew its troops. However, critics of the South Korean government have called for a reduction of military aid because of the arrest and harassment of opponents of President Chung Hee Park.

But because of the security situation in the region, the Carter administration has already said it would not let Seoul's human rights violations lead to a cut in assistance.

New U.S. Chief in Japan

TOKYO, May 12 (AP).—U.S. Air Force Lt. Gen. George Lovington Jr. has been named the commander of U.S. forces, Japan, and the Fifth Air Force, the Air Force said today.

U.S. Officials

Fuel Axiom:

Less Is More

WASHINGTON, May 12 (AP).—The House speaker and majority leader are giving up their Cadillacs and leasing Oldsmobiles that get 18 miles to a gallon of gasoline.

Speaker Thomas O'Neill said that his Cadillac got only 14 miles to a gallon. Majority Leader James Wright Jr. said that he had traded his Cadillac for a Mercury that got only 16 miles to a gallon, so he is also switching to an Oldsmobile.

The switches, they said, are in step with the Carter administration's emphasis on energy conservation.

Mexico Drug Act:

1,943 to Go Free

MEXICO CITY, May 12 (WP).—Almost 70 Americans held in Mexican jails for drug offenses will be released this week because of a Mexican government decision to drop charges against those caught with small quantities of heroin, cocaine or marijuana.

The announcement, made by the Mexican attorney general, involves the release of 1,943 prisoners. Mexicans and foreigners, who had been arrested but not yet tried for having small amounts of drugs apparently intended for "immediate personal use."

GM's Past to Be Razed

DETROIT, May 12 (Reuters).—The building that served as General Motors headquarters from 1916 to 1920 is to be demolished to make room for a parking lot.

JB
BAUME & MERCIER
GENEVE
1830

JB
J. BERNARD
6 rue du Faubourg St. Honoré
PARIS 8^e

Again Says
Will Not Pay
Reparations

INGTON, May 12 (UPI).—The Department responded today to a demand for reparations by calling attention to U.S. statements that actions will be paid.

National Communist newspaper Dan said there will be no reparations between the United States and Vietnam.

Department spokesman Brown said that the nation's position on aid has been stated in detail in the past.

own referred mainly to State Cyrus Vance's statement May 4 news conference. Mr. Vance said then that we will not pay any reparations.

UN Food Aid

May 12 (UPI).—The United Nations Food and Agriculture Organization announced today that it is granting \$4.9 million to help feed the people of Vietnam.

World Food Program, sent following a request.

ng Criticizes

ia on ECC

KONG, May 12 (Reuters).—The Peking Peoples Daily said today that the Soviet Union has broken up the European Community, the Chinese agency reported.

ed the Peking newspaper in an article yesterday that criticized the ECC for stopping since the foundation in 1967.

sentences Croat

WA Hijacking

NEW YORK, May 12 (UPI).—A federal judge sentenced today a Croat national to a minimum of 15 years in prison for his part in the hijacking of a Trans World Airlines jetliner.

Sept. 10, Vasic and four others commanded the 193 persons aboard. The 193 persons surrendered. The 193 persons surrendered. The 193 persons surrendered.

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Terrorism Is War

When Mauricio Borgonovo, El Salvador's foreign minister, was kidnapped three weeks ago, the so-called Farabundo Martí Popular Liberation Front demanded the release of 37 political prisoners as ransom. There might be a good deal of discussion about just who those prisoners were, and what happened to them; a previous kidnapping in El Salvador (of the minister for tourism) resulted in several deaths (including that of the minister) and a good deal of confusion about the whole case.

But when President Arturo Armando Molina of El Salvador declared that to accede to the kidnappers' demands in the Borgonovo case would mean that in the future, terrorists could kidnap any other public official to obtain the freedom of any delinquent, and that nobody would be safe in the country, he was right. The seizure and death of Mr. Borgonovo was an act of war, and unless it is possible to accept casualties as part of war, the only alternative is surrender.

This is the old dilemma of the hostage and hijacking technique of modern terror. There are circumstances under which the hostages or the kidnapped can be freed without loss of life or diminution of law; there are attackers who are mad, or who act singlehandedly in some singular case,

who cannot be described as genuine warriors in a genuine movement, but are insane or criminal.

When, however, a movement or a party, whether as small as the Symbionese Liberation Army or as large as the Communist party, whether justified or unjustified in motive, kidnaps, hijacks or bombs, it is a military act. Those attacked must decide how to deal with the problem on what is essentially a military basis: whether the loss of one or some justifies maintaining others in jail; what negotiation might achieve or what an attack, like that in Entebbe, could achieve.

And that is why terror, like other forms of war, is of international import; why promoting it is an act of war and why seeking to impose international sanctions against it works toward peace. This could mean the condonation of injustice as, indeed, methods of preserving peace and international order can also imply unfair boundaries, inequitable treatment of minorities and the denial of human rights generally. But since death, whether by terror or major war, is itself a denial of the most elemental of human rights, the objective of any sane society, national or international, should be to solve such problems under law—and not by the drumming guns that know no doubts.

A Test for Plane and City

Common sense and constitutional law are beginning to converge in the matter of the Concorde, and now New York as well as the supersonic liner must be tested.

A U.S. District Court has ruled that the federal government had the authority to order limited flights of the Concorde into John F. Kennedy Airport, along with Dulles Airport near Washington, and that the Port Authority of New York and New Jersey, which operates Kennedy, had no right to prevent a fair test of whether the plane meets its posted standards for noise.

One year of the stipulated 16-month testing period was spent to reach this legal finding. British Airways and Air France appear to assume that they are entitled to 36 months of Concorde flights from this moment forward. The Port Authority appears determined to appeal the ruling to use up the remaining testing time and, perhaps, the time between now and Election Day. Angry residents of the airport community are threatening "riot," or at least obstruction of the airport roads and runways, without noticeable discouragement from local authorities. All this maneuvering raises questions that are at least as important as the right of Concorde to a test. Responsible leadership should now turn to those questions.

The Concorde is an economic disaster and will never repay Britain and France their \$3-billion investment. They have been eager to fly the Atlantic, at twice the speed of conventional jets, with two flights each to New York and one to Washington, to make a modest operational profit for their fleet of 14 planes, to salvage something for national pride and domestic political reprieve, and to learn enough about technology and markets for future supersonic machines.

The United States, having forsworn supersonic civilian planes for the time being, wished to be fair to two allies if the health and sanity of airport communities could be protected. The problem has been noise: The Concorde is almost twice as loud as the noisiest conventional jet at takeoff and at least as noisy on landing. Moreover, its lower-pitched rumble reverberates over a vastly larger area than the vibrations of other planes. Dulles Airport sits in a pasture; Kennedy must bear the brunt of any test to populations. The Queens and Nassau neighbors of Kennedy are frantic, not because they have heard many Concorde but because they think their eight daily arrivals and departures, on top of 1,000 other operations, will finally pierce their patience.

New York has no right, in law or sense, to discriminate against this one plane. So

the only issue all along has been whether the Concorde could operate within the noise limits always held up to other jets. Since experience elsewhere suggested that sometimes it does and sometimes it doesn't, its owners promised special loads, maneuvers and flight patterns and prompted former Transportation Secretary Coleman to order the tests. The Port Authority stalled, allegedly to gather data elsewhere, and the Concorde people sued. They deserved a test all along. New York's energies would have been better spent on fixing a tolerable testing period, setting forth standards that would stimulate regular operations. If they should ever come to pass, and teaching the community to read the results.

The most questionable aspect of Coleman's call for a test was its 16-month period, with provision for cancellation on four months' notice in case of acute findings. Such a period was chosen to serve diplomacy more than technology. It was said that Concorde needed to be observed in every season, although everyone knew the summer months were its noisiest. A week or two are not enough, because special conditions, pilots, loads and maneuvers could distort the test results—but a few months would suffice. London and Paris want a much longer period only to build a market and thereby make it more difficult to interpret the test results against the plane.

Had the Port Authority bargained for less time and more stringent conditions than Washington ordered, instead of going to court, it would have better served the community it sought to protect. It should still use its remaining leverage to that end—to persuade the Concorde owners to reduce loads, to use runways pointing out to sea when possible, to run the tests in summer when the noise is greatest, to have the tests over with by fall.

The task of New Yorkers and their political leaders will now be to demonstrate that they meant all along to assert only their proper rights. They should learn their decibel tables and lobby for the right to have community groups participate in test evaluation. Above all, they must remember that once legal remedies are exhausted, resistance by illegal means can critically harm this entire region. The argument that New York needed the Concorde to hold its place as an international transportation hub was always overdrawn. But if investment and opportunity are to flourish here, the city—and its leaders—must convey a readiness to deal fairly and legally precisely with those issues that are most difficult and arouse the greatest noise.

THE NEW YORK TIMES.

International Opinion

Ambassador Peter Jay

Let us, with almost excessive fairness, consider the good things about this amazing appointment [of Peter Jay as Britain's ambassador to the United States]. Mr. Jay is a brilliant fellow... Margaret Callaghan (Jay) is a formidable lady of much verve... Carter's Washington is a youthful, unconventional place. So a youthful, unconventional British ambassador may cause a benevolent stir there...

And yet, in truth, his excellency Mr. Ambassador Jay is a rather eccentric notion... Nepotism is a ripe slice of American life... But Britain, without being pompous, has different traditions... Even if this appointment is Dr. Owen's and Dr. Owen's alone—he says it, we believe it—that still leaves the Callaghan chin foolishly exposed.

—From the Guardian (London).

In the International Edition

Seventy-Five Years Ago

May 13, 1902

PARIS—Mr. Augusto Severo, the Brazilian Deputy and famous aviator, lost his life yesterday in the first attempt to navigate his huge airship over Paris. The machinist who accompanied him was also killed. It seems that the proximity of the motor to the balloon was the cause of the tragedy. Twenty minutes after take-off, the ship caught fire and exploded and fell 500 metres to the Avenue de la Seine.

Fifty Years Ago

May 13, 1927

ROOSEVELT FIELD, Long Island—Following a conference with representatives of the United States Weather Bureau here, Giuseppe M. Bellanca and Charles Lindbergh announced simultaneously that both transatlantic flights have been postponed until further notice because of bad weather. Meanwhile the search goes on for the missing French aviators, Captains Nungesser and Coli, in the Newfoundland area.



'Sign Here in Quintuplicate.'

Japan's 'Psychological Wall'

By Robert Shaplen

HONG KONG.—An American friend of mine who has lived and worked in Japan for many years recently commented, "The Japanese worry like we take pep pills." The comment was an apt one. The Japanese do like to worry—the word for it is *shimpei*—and a six-week visit after an absence of more than a year convinces me that they have a lot to worry about, both internally and externally. With their usual diligence, they will probably solve most of their problems, but not without some drastic readjustments.

Both as regards ourselves and the outside world, we're facing a psychological wall, a top-ranking Foreign Ministry official told me. "We don't yet know how we're going to climb over it." What he meant was that, within Japan, changes are taking place in both a broad and narrow compass that are greater than any in the past two decades of almost uninterrupted success. Economically, chiefly as a result of the oil crisis and the recession, the Japanese annual growth rate must come down from an accustomed 10 or 12 per cent to 5 or 6 per cent. This will still be the biggest among the major industrial nations, but the lowering of sights and goals in Japan's overpopulated islands will require many special re-evaluations, including the acceptance of a less frantic and luxurious way of life and a return to what is called *dojima*, a reverse movement away from the crowded cities to smaller towns and rural areas. Politically, two decades of steady power by the conservative Liberal Democratic party is being eroded, and the political landscape is now perceptibly cracking and shifting. Socially, a generational crisis brought on by malaise and apathy on the part of youth and the imminent passage of the old guard is yet to be resolved, and it may take a generation in itself for new educational reforms, among other things, to develop a firm new type of leadership and outlook.

Troubles Abroad

Abroad, the Japanese ship of state, as Premier Takeo Fukuda likes to call it, is wallowing in dangerous and uncertain waters. The country's relations with the United States and the Soviet Union have been made worse as a result of the establishment by Moscow of a 300-mile offshore fishing zone, which has cut the catch for Japanese fishermen by a third. Trade with both the United States and Europe is way off balance in Japan's favor, and the West is bitterly complaining. The Japanese in turn cry havoc at the threat of foreign protectionist policies which will affect their exports of steel, color TV, automobiles, shoes and other products, yet they, like the West Germans, don't want to reflate their economy further and face more inflation.

They are worried about U.S. troop withdrawals from South Korea but will neither rearm any more than they already have for self-defense nor accept the possibility that, in today's nuclear world, they might best do away with all military bases, including U.S. ones. While the United States remains Japan's best friend and ally, the rest of the world beckons. The Japanese would like to identify themselves more with Southeast Asia, the Middle East and the Third World nations, but they lack sufficient awareness and perception of how to go about it, and linguistic barriers make it all the more difficult.

Partly as a result of the Lockheed scandal, which has served to accelerate the political changes taking place, the consensus system—the smooth collaboration (some would say collusion) among businessmen, politicians and

bureaucrats—has been challenged. Money-power politics have been discredited, and the bureaucrats, who have run the country so efficiently for so long, are dispirited and disillusioned. Consensus will prevail, but it won't function as well as it used to until self-confidence has been restored, which is hard to do in the midst of political and social flux.

The polls reflect what a U.S. diplomat says that "the people want a conservative alternative, not an alternative to conservatism." Having lost its majority in the lower house elections in December, and facing an almost certain loss in the upper house vote in July, the LDP will be able to cling to power only with the help of a dozen or so independents and perhaps with the support of the small Democratic Socialist party and the New Liberal Club headed by Yoshio Kono, which won a surprising 17 seats in the December election. Sooner or later, however, Japan seems destined to have two conservative parties, which the NLC may herald, or the country will come under some sort of coalition rule including rightist Socialists and members of the Buddhist-oriented Komeito (Clean Government) party. If this happens, the consensus system won't run as smoothly as it has before.

The Society

Japanese society is still tight, sheltered, homogeneous and isolated. As sociologist Chie Nakane says, "We have no real neighbors, so we can't make comparisons with others and we lack assurance of what we are." But despite their almost other-planetary qualities, the Japanese are slowly becoming aware that they must become part of the outer constellation which is the rest of the world. Economic self-restraint is only one step, and they are in a position, as a consequence of what we are, to stop feeling hurt and stop hurting others.

There are two areas in which the Japanese could play a new and dynamic role. One is nuclear energy. Having finally signed the Nuclear Nonproliferation Treaty, and since they require alternate sources of energy more than any other nation, the Japanese are in a position, as a pacifist people, to proselytize for an equitable compromise on reproducible uranium control, which involves the production of plutonium and in turn has to do with creating safeguards to avoid production of nuclear weapons. The other area concerns the founding North-South dialogue. Following the May economic summit in London, the "three engine countries," the United States, West Germany and Japan, should together make a positive effort to resolve the deep disparities between the have and have-not nations.

The Japanese are beginning to crawl out of their skins. The new educational reforms geared to the elimination of suicidal university entrance examinations will take effect in the early 1980s. There will be less stress on sheer memorizing of often-useless information and more emphasis on creativity and individual character. Ultimately, this should lead to a relaxation of the society as a whole, and provide alternatives for students who no longer want to jump from graduation onto the competitive business ladder of middle-class success or, in the case of a few, ultimate affluence.

The Japanese have always been addicted to fads, and one of the latest is jogging. It is a common sight in Tokyo these days to see thousands of men and women too, jogging in well-tailored sweatshirts at dawn, at noon and at dusk. In many ways, the society is jogging these days, and so is the economy, which is

recovering, but slowly. Once Japan establishes and defines its broader goals and determines how to go about reaching them, the joggers could again become long-distance runners, and Japan could provide a fresh challenge and leadership by applying its unique creative talents in new directions.

But if the Japanese are made to feel more isolated and hemmed in, anything could happen in this volatile society, including what Masao Kumihira, one of the country's foremost cultural anthropologists, who is also deeply involved in politics, calls the danger of "fascist democracy." The danger, however slight, does indeed exist, and it behooves the rest of the world, as well as the Japanese themselves, to take note of this, and to take the necessary steps to preclude such a potential calamity. Continuing internal reflections and reassessments, and a more serious effort to bring Japan into the democratic world community, are therefore especially important in this ticklish time of transition.

A Delicate Consensus

By Jonathan Power

LONDON—Should foreign aid go to countries that use, as weapons of suppression, torture, prolonged imprisonment without trial and cruel and inhumane punishment? The debate now coming to a head in the U.S. Congress on whether to attach such funding amendments to a bill refunding the World Bank and the African and Asian Development Banks is about just this.

But, according to some senior officials in the World Bank, there is one question that Congress appears to have overlooked. The World Bank—the world's largest single development agency, with an annual budget of \$7 billion—has written into its charter that its loans must only be dispensed on "economic considerations."

The facts, however, suggest that the bank has never been as apolitical as it might like to think. Over the years a delicate consensus has been built up among its 127 member countries: Politics must not be expressed in political language. Overt political debates and influence-peddling are rare. (French pressure to cut loans to Algeria in the 1960s was one of the few occasions of this happening.) Policy shifts, like its present emphasis on helping the countryside rather than the town, have to be expressed in statistics and equations rather than in the language of John Stuart Mill and J.P. Stephen.

Loans They Want

The political consensus is bought by making sure that countries that feel differently about bank policies and are powerful enough to do the bank damage get the kind of loans they want. So, for example, although Brazil has been persuaded to accept loans for a socially progressive, politically risky, peasant-oriented projects in the northeast, the Brazilians have gone along with this only because their road, urban and power projects have been well looked after (although less so now than in the past).

Tanzania's Ujamaa projects are being funded at a level that many economists argue is higher than hardheaded economic criteria should allow. Why? Because President Robert McNamara and his in-house rural development lobby want to push the pace on peasant co-operative agricultural ventures, convinced, against the advice of some of the bank's own economists and many Third World leaders, that a stable and equitable Third World implies a healthy rural economy.

Moreover, McNamara is impressed by President Nyerere's idealistic grass-roots-type leadership. But, for the sake of the doubters, the bank has produced estimates to show that Tanzanian peasant farmers will yield the Tanzanians an economic rate of return comparable with more conventional urban-based projects. The figures, although certainly not "cooked," are subject to wide margins of error. Tanzania's inefficiency will make nonsense of the World Bank's million, have more the thing else focused the debate whether the bank's aid are economic or political rare board poll, the loan countries voted against it and four other European abstained on the ground: should not be given to repressive regime.

(This is the first of many on the World E human rights legislation)

The International Tribune welcomes letters from readers. Short letters better chance of being published. All letters are subject to condensation for space. Anonymous letters will not be considered for publication. Writers may receive their letters but will be given to the signed and bearing their complete address.

Arms Sales and Israel

By Anthony Lewis

Supporters of Israel now seem to be doing that the Carter administration is about to use the threat of arms cutbacks to force agreement to such a settlement. There is some historical basis for concern about the use of U.S. arms supplies as a policy lever. After Henry Kissinger's step-by-step diplomacy ran into Israeli resistance in March, 1975, President Ford ordered a review of our Middle East policy—and that was plainly a Kissinger device to put pressure on Israel.

But the Carter administration's policy is, at all appearances, to the opposite effect. It aims to encourage Israel to step into the relative unknown of long-term peace arrangements by reinforcing assurances of U.S. reliability as a security resource. The administration has been forthcoming on Israeli arms requests with the one exception of the cluster bomb, and there the decision was to try to limit the spread of that new weapon altogether.

In fact, it may be just as well that we have the curious business of the arms hullabaloo from Israel now, empty as it is of any factual basis. For it gives fair warning of the U.S. resolve that will be needed to lead toward settlement in the Middle East.

For years it has been clear that there could be no settlement without U.S. guidance. President Carter and Secretary of State Vance are daring, as their predecessors did not, to suggest the broad terms for peace. It could be the most important business they attempt, foreign policy. Americans should recognize the concern it raises in Israel—but not be distracted.

Lacouture wrote that dan government document local officials to enemies of the regime, "their offspring until one." The Ponceboul boot attribute this language official text but said it was "mold" of justification given for suppression, such slogans as, "It is not off a weed is pulled up by the roots." The Lacouture review referred to the Khmer Rouge "eliminated" one of their own population chad wrote that, out of 14 million of about 7 million Cambodians died in the war was ended. Lacouture acknowledged that the so death figures are "questionable."

In his corrective letter New York Review, Le makes clear that he can believe the record of Rouge rule to be a grisly I do. He writes: "The revolutionaries in Cambodia locked their country away the eyes of the world, not ed many of their pop cadavers or men cattle, problem that presents life is that of the life of a

Publisher Robert R. Eckert

Editor Murray M. Weiss

Harry Bach, Senior Editorial Writer

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هكذا من الفصل

By Fox Butterfield

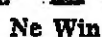
YO, May 12 (AP).—The
of eight trapped miners
recovered early today.
the toll of dead to 25 in
lay's apparent gas explosion
coal mine on Hokkaido,
s northernmost major is-
police reported.

But in November, Mr. Fraser abruptly devalued the Australian dollar by 17.5 per cent, a move that most economists believe was inflationary. It made exports



BEIRUT, May 12 (UPI).—Libya confirmed yesterday that one of its trainee-pilots was lost along with his French-made propeller aircraft on Saturday. But it denied Egyptian charges that the man was an air force cadet who had defected to Egypt. The announcement on Libya Radio warned Egypt to return the pilot and his plane immediately or else be held responsible for his safety.

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Manila Holds 59 Rebels

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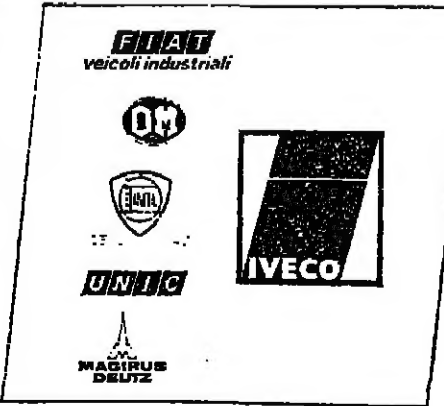
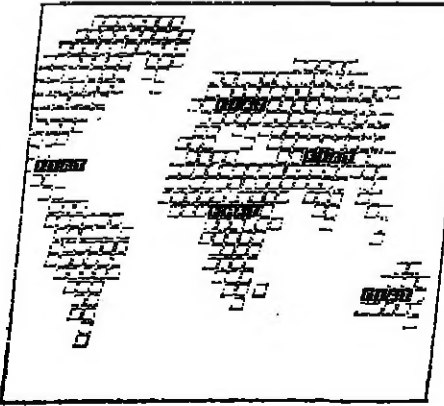
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JAZZ

That Old California Feeling in Provence

By Michael Zwerin

PUGET-VILLE, France (INT). —Barre Phillips finds no contradiction being an avant-garde jazz musician living among the ruins of an 11th-century village with neither electricity nor telephone. "It's that old California feeling," he says.

He became attached to the softness of southern France during a season as bassist and musical director with Antoine Bourseiller's Marseilles theater company. Perhaps there was a way to combine the loose West Coast life style he grew up in with the cultural sophistication he had grown

used to while living in Europe for six years.

Soon after arriving from New York in 1969, he formed a trio with saxophonist John Surman and percussionist Stu Martin. Surman had topped all the polls in his native England and Martin had played with many big names, including Sonny Rollins, in the United States. Now they wanted to create their own form of collective improvisation. It was strong music which, however, did not fit into easy categories. They did not do well financially. The group disbanded.

Phillips went on tour with Bourseiller's production of Victor

Hugo's "Angelo." His French was "zich at the time. I didn't even try and learn the text. I just played on the sound of the voices and the emotions. Before opening, we did a special run through for Jean Genet. When Bourseiller asked him what he thought, Genet answered: "The music is the best thing in it. You ought to throw out the rest and just let the cat play."

Worked With Dancer

He worked with dancer Carolyn Carlson at the Fête de l'Humanité, doing a piece in which he played three basses on stage, each representing a different personality. When Rolf Liebermann brought her to the Paris Opéra, she brought Phillips with her. "She likes improvising to improvised music. I tried to match only flavors to the dancers' movements, to find different color areas for each section. That gave the dancers a great deal of elasticity inside a form."

This piece, "Il y a Juste un Instant," led to another collaboration, "Onirocratie," which won critical acclaim at the Avignon Theater Festival... and to a later presentation at the Paris Opéra, "Wind, Water, Sand."

The summer in Avignon reinforced his desire to settle in the

south of France. Lean, individualistic, a contemporary manifestation of the classic American pioneer spirit, Phillips scouted around for land.

He ran into some young people who had once stayed in an abandoned, vandalized village called Ste. Philomène. He went to look it over. The villagers had descended from that rocky hill north of Toulon about the time of the American Revolution, when the swamp drained in the valley. The 12th-century chapel with presbytery attached was the only building still intact. Tall pines grew through the remains of roofs of houses.

Boy scouts would camp up there in the summer, hunters in winter. The Beaux Arts school of Toulon had helped maintain the place until some students dug up the chapel floor looking for bones (they found some).

Phillips spoke to the mayor of nearby Puget-Ville. His credentials, particularly the Paris Opéra experience, made him a creative artist rather than a freak jazz musician in the eyes of the Socialist mayor. Despite his ponytail and Yankee nationality, it took Phillips only six months to work out an agreement for a 25-year renewable rent-free lease

in return for some guaranteed restoration and minimum guardian duty.

There are plans for a small music festival and a summer improvisation workshop. Phillips taught for the first time at the La Rochelle festival last month and learned something himself in the process: "If you consider all of music and take away what you can't play, you are left with what you can play and that is your style."

"A kid who is just beginning can't play anything. He has no style at all. It seems to me the first thing is to put him in touch with his

sound. What sound does he want to represent his personality? Once he thinks about that, even if he can only play one note, he's got a good solid place to start."

Eventually, Phillips would like to rebuild the village as an artist colony. There is no hurry. Time does not seem pressing in an 11th-century village. Anyway, there are other things keeping him busy at the moment. He is often on the road with Surman and Martin in their re-formed trio, now successful.

His wife, Mary, spends long periods alone, which can be hard

in such a lonely spot without utilities. As first it was cold and frightening. There was no running water, the roof leaked and they could hear bats at night. Now, however, they have been seduced by the environment, living so close to history.

Mary Phillips points down the hill: "That old road was built by the Romans. It's mind-blowing to think how many years those stones have been walked on. You wonder about the people who traveled over it—serfs, troubadours, Crusaders. Last year, Charlie Mariano walked there playing his saxophone."

Ste. Philomène: what an avant-garde musician calls home.

Haydn Score Is Auctioned For £32,100

LONDON, May 12 (A) autographed manuscript full score of Haydn's major for "cello, violin, viola, and cello," composed in 1785, was sold yesterday for £32,100.

A Sotheby's spokesman said the price was an auction for a Haydn manuscript bought by a dealer from Sold for £32,200 was a poem written on an old piece of paper by Mozart, a poem by the composer up for auction.

The poem, in it reads:

These verses which I during the
Are no lies, no stunts
I have always loved
will always
Then if my mouth (hear

Japanese Picture Banned in Belgium

BRUSSELS, May 12 (A) court here today has banned a Japanese film "The Eyes of the Devil" stating it was "aggressive porn" and ordered the confiscation of all copies.

The movie, which is a 1966 cinematic case of a maid castrated and her employer with his wife, has been hailed as a work of many critics on its filming here in September, for two days before it closed it.

THEATER IN PARIS: A Romanian Monologue

By Thomas Quinn Curtiss

PARIS (INT).—There was a considerable to-do in the lobby of the Théâtre d'Orsay the other afternoon where, within the framework of the present international theater festival, "La Valse des Dames" by the Romanian Dumitru Radu Popescu was having its Parisian premiere

in the upstairs Petit Orsay room. A group intent on obtaining the release of Paul Goma, a Romanian dissident writer recently arrested in Bucharest, invaded the theater hall with banners and balloons and milled about to collect signatures for a Goma petition. Jean-Paul Sartre, Simone de Beauvoir and Louis Aragon have already lent their names. The demonstrators had marched first on the Romanian Embassy, but police drove them away. Thus, the "human rights" issue embroidered the theatrical occasion.

The production was directed by Virgil Tanase, a Romanian dissident in exile, but the play itself is of a nonpolitical nature. However, in totalitarian countries art for art's sake is definitely frowned upon. So this play by Popescu is probably not officially recommended. Popescu is a leading writer in his country. Two of his novels are "The Royal Chase" and he has written film scenarios.

The heart of drama is said to lie in conflict and there is little conflict in "La Valse des Dames," which reverts to the single performer of the pre-Aeschylus form. It is not by common definition a play at all, but a monologue, supported in its latter stages by a recorder as a sort of second personage. A young washerwoman, amid her laundered sheets on clothes lines, laments her drab existence and desperation. Toward the end, she comes back as her sister, a microphone repeating some of her earlier recital. One suspects suicide is imminent, but she appears to live on.

Tanase has maneuvered the stage traffic as expansively as possible with scenography by Radu Borsescu, and Comandăreanu, who contributed the score for Ionescu's "L'Avenir des danses les Centes" at the Théâtre de la Ville, composed the accompanying music.

The unhappy laundress is played by Marie-Paule André,

who as yet shows no signs of competence. It is painful to write so of a young actress, and a good-looking one at that, but poor Miss André has been imposed upon by this casting. To have accorded her such an all-important and challenging role without proper preparation was cruel. She can bring it none of the necessary nuances and shadings that would relieve its inept monotonous and she has slight stage command, while her beauty is often masked by the drying wash.

Jack Fitzgerald, the American dramatist who has had several of his plays produced in English in Paris, has a new one, "Tijana Lady," which is being performed at the Théâtre Adyar through May 31 (Saturday excepted) nightly at 8:30. There will be a special matinee Sunday at 2:30. Fitzgerald has an extraordinary acute ear for the talk of ordinary people and records and edits it amusingly. He has served as a dialogue writer in Hollywood and an earlier play of his, "Hotel Virginia," is now being filmed as "Edict for Terror."

His new comedy-drama concerns the chicaneries that transpire in the family parlor of a small Southern town, after the demise of its master, who has died under circumstances that reflect gravely on his pillar of society. His wife, with the connivance of a mother and retarded of the estate, but is from doing so—at least when his wayward returns, having undergone a change operation and star of porn movies.

As the devious intrigue squabbling relatives are in a series of surprises, revealing is one of the of the performance. A knock for racy chitchat apparent, though the sex-altered son is a mouthed.

The acting by a precocious nonprofessional companion to carry the play, Curtin as the anxious wife, William Doherty as the aggressive son, Link riano as his aggressive wife, and Jacques Toman Moore as inquisitive Frederick Hodgson is king's mainstay as the gant he she offspring w to roost. Fitzgerald has directed to sound, overs and Wallace Potts, the rector, has shot an entrapment of a campy parody which serves as the

SHARPS AND FLATS

The Pablo Jazz Festival 77, continuing its European tour, will be in Munich May 14 at the Kongresshaus des Deutschen Museums for two shows at 8 and 10 p.m., and in Paris May 17 at the Palais des Congrès, also for two shows, at 7 and 10:30 p.m. Featured will be Count Basie and his orchestra, Joe Pass, Oscar Peterson, Niels Oersted Pederson, Louis Bellson, Eddie (Lockjaw) Davis, Harry (Sweet) Edson, John Heard, Ellis Fitzgerald and the Tommy Flanagan trio.

PARIS—Lou Bennett is featured nightly at the Riverbop.

Wild Bill Davis is at the Huchette, Sam F at the Hotel Meridien, the Rhythm Boys at the Elfs and the Golden Gate Quartet at the Elfs. Jimmy will be at the Air-Lib parades May 15 at 8 p.m. Harlem Swing Song and Society is at Espace Car 18 at 8:30 p.m., John Ni same night at the Pav Paris at 8 p.m. and Mar Vils and Pablennie Thib the Campaigne Premiere

The Turkish folk group semble d'Anatolie will be Muballité in Paris on along with French singer Reçent. The group has recorded three albums in name of Les Moguls and France later this year.

BORDEAUX—Count and orchestra will be at lais des Sports for two st Mar 18 at 7 and 10 p.m.

LONDON—Nell Sedaka at the Palladium May 16-18. Tony Kinsey at Lane are at Ronnie Scot two weeks starting May placing Anita O'Day.

FRANKFURT—The Glen orchestra is at the hunderthalle May 13 at 8 p.m.

MUNICH—Bob Marley at the Circus-Krone-Bau at 8 p.m.


GENEVA—Benny Bailey featured at the Popcorn May 16-18. Jimmy Wood there most evenings.

This week's top single in the United States is "I Need You" by Leo Sayer in Britain, "I Don't We Talk About It" by Rod Stewart and "The Rose" by Frank Van Br.

Brecht Memorial

BERLIN, May 12 (Reu) The old holiday home of wright Bertolt Brecht in Bo east of Berlin, is to be into a memorial to the write his actress wife Helena V the ADN news agency said today. It will serve as a place for Brecht experts transfer. Brecht died in and his wife in 1971.

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Credit Suisse Is Cited for Laxity

Vire Dispatches

May 12.—The director of the government's mission said today that Credit Suisse had exercised slack in its management of the bank's assets.

Mueller, director of the mission, also said that the bank's management had been lax in its handling of the bank's assets. He said that the bank's management had been lax in its handling of the bank's assets.

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Oil Profits Up 54.6% in First Quarter

Vire Dispatches

May 12.—Net income of the Dutch Shell Group rose 54.6% in the first quarter of 1977, reflecting a 30-per-cent rise in oil prices.

The Dutch group said today that its earnings rose 54.6% in the first quarter of 1977, reflecting a 30-per-cent rise in oil prices.

North America, apart from the effects of the oil price rise, was little changed.

Banking Scandal Details Revealed

Texton allegedly used the money it received to shore up faltering Texon properties in Italy.

Mr. Mueller said that after an official investigation in 1969 revealed that the Chiasso branch had misled Texon a bank guarantee which was being used in a scheme to avoid taxes, Credit Suisse headquarters ordered the branch to stop this.

Mr. Mueller, who had secretly founded Texon in 1961 with 50,000 francs, sent Zurich a written acknowledgment of the "stop" order, Mr. Mueller stated.

These instructions, Mr. Mueller said, were also ignored by Mr. Kuhnleiner and his aides, who continued issuing guarantees for investments in Texon while not entering them in the appropriate books—thus avoiding the legal withholding tax.

Mr. Kuhnleiner, two of his top aides at the bank branch and the three lawyers are charged with dishonest management and forgery. Criminal investigations are continuing, as is a probe by Credit Suisse.

The bank's branch in Chiasso handled the accounts of wealthy Italians, who sent their money to Switzerland for safer investment shielded from the heavy taxes in Italy.

It is said that Texon was the vehicle for its officers' illegal investment of 2.2 billion francs poured into risky ventures, and that unauthorised bank guarantees amounted to 1 billion francs.

Of the Credit Suisse headquarters role in Switzerland's biggest banking scandal, Mr. Mueller stated: "The general management in Zurich must be blamed for having failed to make sure its instructions were obeyed and, in particular, for having failed to take the warnings seriously."

Three Resignations
Credit Suisse honorary chairman Felix Schnidiger, chief executive Heinz Wulff and his deputy, Serge Denizeville, resigned their posts this week, although a board statement said their honor and integrity were not questioned.

Oswald Appeli, Credit Suisse chairman, today declined invitations to join the boards of two major Swiss industrial corporations, the Ciba-Geigy chemicals concern in Basel and the Sulzer heavy engineering company in Zurich.

"Dr. Appeli requests us, among other Swiss companies with a similar intention, to withdraw his nomination for the time being, in view of the extra burden of work which events at the Chiasso branch of Credit Suisse have placed on him," a Ciba-Geigy statement said.

In Vaduz, the capital of Liechtenstein, where between 25,000 and 30,000 "letter-drop" companies exist because of the practically nonexistent taxes, the government today cleared Franz Gschli, a local lawyer and a Texon director, of any wrongdoing.

It said Texon affairs were managed from Switzerland.

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Rise in Consumer Spending Is Expected to Abate in U.S.

NEW YORK, May 12 (AP-DJ)—U.S. consumer spending is expected to rise at a slower rate in coming months, analysts say.

The increases will be modest because consumers have spent so heavily in recent months that their savings have dwindled and their indebtedness has soared, according to the analysis. Consumer spending accounts for about two-thirds of all U.S. economic activity. Accordingly, it tends to set the pace for overall economic growth. Because it has risen briskly in recent months, the recovery in general has kept rolling along, despite sluggishness in other economic sectors.

"We're witnessing an end to consumer leadership in the current economic recovery," says Thomas Juster, director of the University of Michigan's Survey Research Center, which specializes in consumer-spending developments. The economist adds that if, as the Carter administration has predicted, the recovery is to be brisk in the months ahead, "the impetus will have to come from other business sectors," such as capital spending.

Evidence that consumer outlays may soon exhibit less zip can be seen in a bimonthly survey released today by the Conference Board, a nonprofit business-research group. Confidence is down a steep 5 percentage points, to only 85 per cent of its 1969-70 average.

Another finding: Fewer families plan to buy cars or homes during the next six months. An auto slowdown may already be under way. Earlier this week the Commerce Department reported that car sales dropped 4.3 per cent in April, after a robust March.

Forecasters say that a current combination of extra-ordinarily low savings and record debt is bound to restrict consumer outlays in coming months. Savings in the first quarter amounted to only 5 per cent of after-tax earnings, down from 5.5 per cent in the fourth quarter of 1976 and a 7-per-cent-plus rate earlier last year. The latest figure marks the lowest rate since early 1969.

Consumer installment credit rose by a record \$2.72 billion in March to about \$130 billion—12 per cent more than a year earlier. Government estimates indicate that more than 25 per cent of after-tax earnings now goes to servicing debt, compared with about 10 per cent in the years just after World War II.

In the fourth quarter of last year, when consumer spending climbed at an annual rate of 7 per cent, general economic growth was only 2.5 per cent. In the first quarter of 1977, when the spending rate was up 6.2 per cent, general growth was 5.2 per cent. Clearly, remarks Fabian Lindén, director of the Conference Board survey, consumer spending "has served to spur the recovery so far." Looking ahead, however, the picture changes.

Capital spending is expected by most forecasters to take up much of the slack. Corporate outlays for new plant and equipment rose only modestly during much of last year, but analysts foresee an impressive turnaround this year.

Last week, a McGraw-Hill survey found that U.S. corporations will spend 11 per cent more, after inflation, on domestic plant and equipment projects in 1977 than they did in 1976. Statistics compiled by the Commerce Department show that capital spending has already begun to climb more strongly.

International Group Sets Up A 4-Year Aid Plan for Egypt

PARIS, May 12 (AP-DJ)—Donor countries and international organizations have approved an Egyptian request for foreign financial and other assistance during the next four years, and have committed some \$5.4 billion for 1977, Abdel Monem el-Kasbi, deputy premier for financial and economic affairs, said today.

Speaking at the conclusion of a two-day meeting of the Consultative Group for Egypt, a session held under the auspices of the World Bank, Mr. Kasbi said that Egypt requires a total of \$13.8 billion in assistance through 1980—of which \$5.4 billion is needed this year and \$8.4 billion annually over the next 3 years.

Of this year's amount, some \$2 billion has been committed by members of the Gulf Organization for the Development of Egypt (made up of Saudi Arabia, Qatar, United Arab Emirates and Kuwait) and about \$1 billion from the United States, he said.

Mr. Kasbi said Egypt's total foreign debt amounts to some \$10.5 billion, including \$3.7 billion owed to the Soviet Union, mainly for arms purchases. Medium and long-term debts account for \$5.7 billion, he said.

Mumir Benjenk, a World Bank vice-president, said that most of the delegates of the 13 countries

and 11 organizations that attended the meeting promised more aid, and that a number of them said they will make money available faster than previously.

A World Bank communiqué said that in preparing their proposals for financial and economic cooperation for 1978 and beyond, delegates were aware that substantial amounts of balance-of-payments support and project aid would be required by Egypt to overcome its difficulties and to help finance its growing investment program.

Countries present at the meeting were: Canada, France, West Germany, Iran, Italy, Japan, Kuwait, the Netherlands, Qatar, Saudi Arabia, United Arab Emirates, Britain and the United States.

Steel Price Line In U.S. Joined By Bethlehem

PITTSBURGH, May 12 (AP).—Bethlehem Steel, the second largest U.S. steel maker, fell into line today with other major producers who have raised steel prices an average of 6 per cent.

Bethlehem said its new prices would cover sheet steel, plates, bars, rods and wire, effective June 1st.

IMF Head Asks DM, Yen Upgrading

WASHINGTON, May 12 (Reuters)—Johannes Witteveen, managing director of the International Monetary Fund, today urged West Germany, Japan and other countries in a strong balance-of-payments position to allow their currencies to appreciate.

Mr. Witteveen, who was speaking in the Netherlands but whose prepared remarks were released here, said that while Germany and Japan are in a comfortable payments position, the need to reduce inflation and insure a stable basis for recovery has limited their scope for stimulating domestic demand as a means of promoting external adjustment.

"Pushing domestic expansion to the point of rekindling inflationary forces would serve neither their own interests nor those of the international adjustment process," he said. But, he added, "countries in strong payments positions will have to permit adjustment through an appreciation of their currencies and through increased flows of long-term capital exports and development aid."

At the same time, he said, countries like Britain, France and Italy—who are in a weaker payments position—will have to insure that their competitive edge is adequate to allow them to take

As Compromise On Stimulation

tionary forces would serve neither their own interests nor those of the international adjustment process," he said. But, he added, "countries in strong payments positions will have to permit adjustment through an appreciation of their currencies and through increased flows of long-term capital exports and development aid."

At the same time, he said, countries like Britain, France and Italy—who are in a weaker payments position—will have to insure that their competitive edge is adequate to allow them to take

advantage of a prospective 7 to 8-per-cent growth in world trade this year.

While exchange-rate flexibility can help in this direction, Mr. Witteveen emphasized that it has become evident that a downward exchange-rate movement "can involve a cost of its own and will not be successful unless accompanied by appropriate measures to curb domestic inflation and release resources for exports and import substitution."

Mr. Witteveen said the fund's staff estimates that the real gross national product of the industrialized countries will grow 4.5 per cent in 1977, down from last year's 5.5-per-cent increase.

He said some modest acceleration of growth is expected among the primary producing countries and the less developed countries are likely to grow at rates close to the long-term trend.

On other matters, Mr. Witteveen estimated that the real gross national product of the industrialized countries will have a surplus of about \$42 billion this year, down slightly from the 1976 forecast of \$44 billion. He said that while there will be a reduction of the oil states' surplus over the next few years, it will be gradual because of a concentration in several countries with a relatively low capacity to increase imports.

Klauson on Inflation
FRANKFURT, May 12 (Reuters)—Retiring Bundesbank president Karl Klauson said today he believes that prices in West Germany will continue to stabilize and that the 1977 inflation rate will be below 4 per cent.

Dollar Off on the 2 Currencies

LONDON, May 12 (AP-DJ)—The dollar fell sharply against the Deutsche mark and the yen in hectic trading late today.

The flurry of activity was prompted by Mr. Witteveen's remarks indicating that the mark and the yen should be effectively revalued.

One London dealer said: "This is what we all expected to hear after the summit meeting" last weekend. He said that the market was "slow to absorb" the news that the IMF would support a higher exchange rate for both the yen and the mark. But once the news spread, the dealer added, the dollar fell sharply.

Against the mark, the dollar, which had been around its overnight rate of 2.3717 DM, fell to 2.365 DM in late trading here.

The dollar also fell dramatically against the yen after reaching as high as 350.50 yen in Tokyo on panic buying after the news of the Saudi Arabian oil field fire, which could affect Japan's crude imports. In late trading here, the dollar dropped to 278.000 yen. But this was little changed from 277.95 late yesterday.

The dollar also lost against the guilders, which has been moving closely in tandem with the mark, at 2.4645 guilders, down from an overnight rate of 2.4707. The dollar also slipped against the Swiss franc at 2.5240 francs from 2.5273 francs overnight.

fell \$1.4 billion. Sharp increases in previous weeks had led the Fed to tighten its money policy by nudging up short-term interest rates.

The Dow Jones industrial average closed down 1.36 at 825.64. Losses outnumbered gains 695 to 645. At 3 p.m., the D-J was off 0.76.

Volume totaled 21.98 million shares, up from 19.93 million yesterday.

The industrial index was down more than 5 points at its low for the day after a loss of more than 2 points yesterday.

The basic problem of the last two sessions has been rising short-term interest rates and the prospect of a rise soon in the bank's prime rate.

But the Fed report today showed that loan demand at the major New York City banks continued at a sluggish pace. Such loans fell \$179 million during the latest

Rally Attempt Fails on the N.Y. Exchange

NEW YORK, May 12 (IHT)—Prices on the New York Stock Exchange today recovered, in active trading, some of yesterday's losses but late resistance led to a moderately lower closing.

Analysts attributed the relative firmness to technical factors after a sharp downturn yesterday caused by institutional liquidation of some growth stocks.

The analysts also said that the market may have gotten wind early of the U.S. money supply decrease reported at its closing by the Federal Reserve Board of New York. This diminished concern about further credit-tightening by the Fed, they said.

As many market observers had anticipated, the Federal Reserve announced after the market close that the money supply declined in the latest week. The narrow definition, M-1, dropped \$1.6 billion in the week ended May 4, while the broader-gauge M-2

statement week, an indication, the analysts said, that the economy still has not fully recovered.

According to Chase Manhattan Bank chairman David Rockefeller, the demand for business loans may not increase significantly for several months.

Glamour stocks recently have come under heavy selling pressure, but analysts said these stocks are beginning to attract some buyers because of their better yields.

IBM declined 5/8 to 252 3/8 today and Union Carbide 1 1/4 to 51 3/8.

Other losers included Bancal Tristate, down 3 1/8 to 20 3/4. The holding company said yesterday that it will sell 23 branches in California.

Federated Department Stores fell 1 5/8 to 35 1/2.

Bethlehem Steel, which raised prices 6 per cent, declined 3/8 to 34 5/8 and Procter & Gamble eased a fraction to 73 1/8 after posting lower prices on Folger's coffee.

Shareholders entitled to participate in the Annual Meeting and to exercise their right to vote are those who have deposited their shares during normal office hours and in the prescribed form at a depositary bank before the conclusion of the Annual Meeting. Depositary banks are those specified in the "Bundesanzeiger" of the German Federal Republic Nr. 91 of May 13, 1977.

Depositary banks in the U. K. are: Kleinwort, Benson Limited, S.G. Warburg & Co. Ltd.

The deposit of shares is only effective if they are lodged by the 20th June, 1977, at the latest.

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Redeemable Floating Rate Deposit Notes due 1981

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International Express Middle East Development Company S.A.L.

The Arab and Morgan Grenfell Finance Company Limited

Libyan Arab Foreign Bank
Noumra Europe N.V.

Wardley Middle East Limited

Kuwait International Investment Co. s.a.k.

Pan Asian Finance Limited

J. Henry Schroder & Co. S.A.L.

Algemene Bank Nederland N.V. (Bahrain)

Associated Japanese Bank (International) Limited

Japan International Bank Limited

Arab Bank Limited

Crédit Libanais S.A.L.

Daiwa Europe N.V.

N.V. de Indonesische Overzeese Bank (The Indonesia Overseas Bank)

Industrial Bank of Japan (Germany)

Investment Bank for Trade and Finance LLC (Investbank) Sharjah

U.B.A.N. - Arab Japanese Finance Limited

Union de Banques Arabes et Françaises - U.B.A.F.

Yamaichi International (Nederland) N.V.

Fiscal Agent

American Express International Banking Corporation

This prospectus is subject to final approval

NYSE Nationwide Trading (3 O'clock) May 12

1977	Stocks and Div in \$	High	Low	Prev. Close	1977	Stocks and Div in \$	High	Low	Prev. Close	1977	Stocks and Div in \$	High	Low	Prev. Close	1977	Stocks and Div in \$	High	Low	Prev. Close
38	21 ACF Ind	1.24	1.20	1.20	10	18 ACF Ind	1.24	1.20	1.20	20	21 ACF Ind	1.24	1.20	1.20	30	21 ACF Ind	1.24	1.20	1.20
39	21 ACF Ind	1.24	1.20	1.20	11	18 ACF Ind	1.24	1.20	1.20	21	21 ACF Ind	1.24	1.20	1.20	31	21 ACF Ind	1.24	1.20	1.20
40	21 ACF Ind	1.24	1.20	1.20	12	18 ACF Ind	1.24	1.20	1.20	22	21 ACF Ind	1.24	1.20	1.20	32	21 ACF Ind	1.24	1.20	1.20
41	21 ACF Ind	1.24	1.20	1.20	13	18 ACF Ind	1.24	1.20	1.20	23	21 ACF Ind	1.24	1.20	1.20	33	21 ACF Ind	1.24	1.20	1.20
42	21 ACF Ind	1.24	1.20	1.20	14	18 ACF Ind	1.24	1.20	1.20	24	21 ACF Ind	1.24	1.20	1.20	34	21 ACF Ind	1.24	1.20	1.20
43	21 ACF Ind	1.24	1.20	1.20	15	18 ACF Ind	1.24	1.20	1.20	25	21 ACF Ind	1.24	1.20	1.20	35	21 ACF Ind	1.24	1.20	1.20
44	21 ACF Ind	1.24	1.20	1.20	16	18 ACF Ind	1.24	1.20	1.20	26	21 ACF Ind	1.24	1.20	1.20	36	21 ACF Ind	1.24	1.20	1.20
45	21 ACF Ind	1.24	1.20	1.20	17	18 ACF Ind	1.24	1.20	1.20	27	21 ACF Ind	1.24	1.20	1.20	37	21 ACF Ind	1.24	1.20	1.20
46	21 ACF Ind	1.24	1.20	1.20	18	18 ACF Ind	1.24	1.20	1.20	28	21 ACF Ind	1.24	1.20	1.20	38	21 ACF Ind	1.24	1.20	1.20
47	21 ACF Ind	1.24	1.20	1.20	19	18 ACF Ind	1.24	1.20	1.20	29	21 ACF Ind	1.24	1.20	1.20	39	21 ACF Ind	1.24	1.20	1.20
48	21 ACF Ind	1.24	1.20	1.20	20	18 ACF Ind	1.24	1.20	1.20	30	21 ACF Ind	1.24	1.20	1.20	40	21 ACF Ind	1.24	1.20	1.20
49	21 ACF Ind	1.24	1.20	1.20	21	18 ACF Ind	1.24	1.20	1.20	31	21 ACF Ind	1.24	1.20	1.20	41	21 ACF Ind	1.24	1.20	1.20
50	21 ACF Ind	1.24	1.20	1.20	22	18 ACF Ind	1.24	1.20	1.20	32	21 ACF Ind	1.24	1.20	1.20	42	21 ACF Ind	1.24	1.20	1.20
51	21 ACF Ind	1.24	1.20	1.20	23	18 ACF Ind	1.24	1.20	1.20	33	21 ACF Ind	1.24	1.20	1.20	43	21 ACF Ind	1.24	1.20	1.20
52	21 ACF Ind	1.24	1.20	1.20	24	18 ACF Ind	1.24	1.20	1.20	34	21 ACF Ind	1.24	1.20	1.20	44	21 ACF Ind	1.24	1.20	1.20
53	21 ACF Ind	1.24	1.20	1.20	25	18 ACF Ind	1.24	1.20	1.20	35	21 ACF Ind	1.24	1.20	1.20	45	21 ACF Ind	1.24	1.20	1.20
54	21 ACF Ind	1.24	1.20	1.20	26	18 ACF Ind	1.24	1.20	1.20	36	21 ACF Ind	1.24	1.20	1.20	46	21 ACF Ind	1.24	1.20	1.20
55	21 ACF Ind	1.24	1.20	1.20	27	18 ACF Ind	1.24	1.20	1.20	37	21 ACF Ind	1.24	1.20	1.20	47	21 ACF Ind	1.24	1.20	1.20
56	21 ACF Ind	1.24	1.20	1.20	28	18 ACF Ind	1.24	1.20	1.20	38	21 ACF Ind	1.24	1.20	1.20	48	21 ACF Ind	1.24	1.20	1.20
57	21 ACF Ind	1.24	1.20	1.20	29	18 ACF Ind	1.24	1.20	1.20	39	21 ACF Ind	1.24	1.20	1.20	49	21 ACF Ind	1.24	1.20	1.20
58	21 ACF Ind	1.24	1.20	1.20	30	18 ACF Ind	1.24	1.20	1.20	40	21 ACF Ind	1.24	1.20	1.20	50	21 ACF Ind	1.24	1.20	1.20
59	21 ACF Ind	1.24	1.20	1.20	31	18 ACF Ind	1.24	1.20	1.20	41	21 ACF Ind	1.24	1.20	1.20	51	21 ACF Ind	1.24	1.20	1.20
60	21 ACF Ind	1.24	1.20	1.20	32	18 ACF Ind	1.24	1.20	1.20	42	21 ACF Ind	1.24	1.20	1.20	52	21 ACF Ind	1.24	1.20	1.20
61	21 ACF Ind	1.24	1.20	1.20	33	18 ACF Ind	1.24	1.20	1.20	43	21 ACF Ind	1.24	1.20	1.20	53	21 ACF Ind	1.24	1.20	1.20
62	21 ACF Ind	1.24	1.20	1.20	34	18 ACF Ind	1.24	1.20	1.20	44	21 ACF Ind	1.24	1.20	1.20	54	21 ACF Ind	1.24	1.20	1.20
63	21 ACF Ind	1.24	1.20	1.20	35	18 ACF Ind	1.24	1.20	1.20	45	21 ACF Ind	1.24	1.20	1.20	55	21 ACF Ind	1.24	1.20	1.20
64	21 ACF Ind	1.24	1.20	1.20	36	18 ACF Ind	1.24	1.20	1.20	46	21 ACF Ind	1.24	1.20	1.20	56	21 ACF Ind	1.24	1.20	1.20
65	21 ACF Ind	1.24	1.20	1.20	37	18 ACF Ind	1.24	1.20	1.20	47	21 ACF Ind	1.24	1.20	1.20	57	21 ACF Ind	1.24	1.20	1.20
66	21 ACF Ind	1.24	1.20	1.20	38	18 ACF Ind	1.24	1.20	1.20	48	21 ACF Ind	1.24	1.20	1.20	58	21 ACF Ind	1.24	1.20	1.20
67	21 ACF Ind	1.24	1.20	1.20	39	18 ACF Ind	1.24	1.20	1.20	49	21 ACF Ind	1.24	1.20	1.20	59	21 ACF Ind	1.24	1.20	1.20
68	21 ACF Ind	1.24	1.20	1.20	40	18 ACF Ind	1.24	1.20	1.20	50	21 ACF Ind	1.24	1.20	1.20	60	21 ACF Ind	1.24	1.20	1.20
69	21 ACF Ind	1.24	1.20	1.20	41	18 ACF Ind	1.24	1.20	1.20	51	21 ACF Ind	1.24	1.20	1.20	61	21 ACF Ind	1.24	1.20	1.20
70	21 ACF Ind	1.24	1.20	1.20	42	18 ACF Ind	1.24	1.20	1.20	52	21 ACF Ind	1.24	1.20	1.20	62	21 ACF Ind	1.24	1.20	1.20
71	21 ACF Ind	1.24	1.20	1.20	43	18 ACF Ind	1.24	1.20	1.20	53	21 ACF Ind	1.24	1.20	1.20	63	21 ACF Ind	1.24	1.20	1.20
72	21 ACF Ind	1.24	1.20	1.20	44	18 ACF Ind	1.24	1.20	1.20	54	21 ACF Ind	1.24	1.20	1.20	64	21 ACF Ind	1.24	1.20	1.20
73	21 ACF Ind	1.24	1.20	1.20	45	18 ACF Ind	1.24	1.20	1.20	55	21 ACF Ind	1.24	1.20	1.20	65	21 ACF Ind	1.24	1.20	1.20
74	21 ACF Ind	1.24	1.20	1.20	46	18 ACF Ind	1.24	1.20	1.20	56	21 ACF Ind	1.24	1.20	1.20	66	21 ACF Ind	1.24	1.20	1.20
75	21 ACF Ind	1.24	1.20	1.20	47	18 ACF Ind	1.24	1.20	1.20	57	21 ACF Ind	1.24	1.20	1.20	67	21 ACF Ind	1.24	1.20	1.20
76	21 ACF Ind	1.24	1.20	1.20	48	18 ACF Ind	1.24	1.20	1.20	58	21 ACF Ind	1.24	1.20	1.20	68	21 ACF Ind	1.24	1.20	1.20
77	21 ACF Ind	1.24	1.20	1.20	49	18 ACF Ind	1.24	1.20	1.20	59	21 ACF Ind	1.24	1.20	1.20	69	21 ACF Ind	1.24	1.20	1.20
78	21 ACF Ind	1.24	1.20	1.20	50	18 ACF Ind	1.24	1.20	1.20	60	21 ACF Ind	1.24	1.20	1.20	70	21 ACF Ind	1.24	1.20	1.20
79	21 ACF Ind	1.24	1.20	1.20	51	18 ACF Ind	1.24	1.20	1.20	61	21 ACF Ind	1.24	1.20	1.20	71	21 ACF Ind	1.24	1.20	1.20
80	21 ACF Ind	1.24	1.20	1.20	52	18 ACF Ind	1.24	1.20	1.20	62	21 ACF Ind	1.24	1.20	1.20	72	21 ACF Ind	1.24	1.20	1.20
81	21 ACF Ind	1.24	1.20	1.20	53	18 ACF Ind	1.24	1.20	1.20	63	21 ACF Ind	1.24	1.20	1.20	73	21 ACF Ind	1.24	1.20	1.20
82	21 ACF Ind	1.24	1.20	1.20	54	18 ACF Ind	1.24	1.20	1.20	64	21 ACF Ind	1.24	1.20	1.20	74	21 ACF Ind	1.24	1.20	1.20
83	21 ACF Ind	1.24	1.20	1.20	55	18 ACF Ind	1.24	1.20	1.20	65	21 ACF Ind	1.24	1.20	1.20	75	21 ACF Ind	1.24	1.20	1.20
84	21 ACF Ind	1.24	1.20	1.20	56	18 ACF Ind	1.24	1.20	1.20	66	21 ACF Ind	1.24	1.20	1.20	76	21 ACF Ind	1.24	1.20	1.20
85	21 ACF Ind	1.24	1.20	1.20	57	18 ACF Ind	1.24	1.20	1.20	67	21 ACF Ind	1.24	1.20	1.20	77	21 ACF Ind	1.24	1.20	1.20
86	21 ACF Ind	1.24	1.20	1.20	58	18 ACF Ind	1.24	1.20	1.20	68	21 ACF Ind	1.24	1.20	1.20	78	21 ACF Ind	1.24	1.20	1.20
87	21 ACF Ind	1.24	1.20	1.20	59	18 ACF Ind	1.24	1.20	1.20	69	21 ACF Ind	1.24	1.20	1.20	79	21 ACF Ind	1.24	1.20	1.20
88	21 ACF Ind	1.24	1.20	1.20	60	18 ACF Ind	1.24	1.20	1.20	70	21 ACF Ind	1.24	1.20	1.20	80	21 ACF Ind	1.24	1.20	1.20
89	21 ACF Ind	1.24	1.20	1.20	61	18 ACF Ind	1.24	1.20	1.20	71	21 ACF Ind	1.24	1.20	1.20	81	21 ACF Ind	1.24	1.20	1.20
90	21 ACF Ind	1.24	1.20	1.20	62	18 ACF Ind	1.24	1.20	1.20	72	21 ACF Ind	1.24	1.20	1.20	82	21 ACF Ind	1.24	1.20	1.20
91	21 ACF Ind	1.24	1.20	1.20	63	18 ACF Ind	1.24	1.20	1.20	73	21 ACF Ind	1.24	1.20	1.20	83	21 ACF Ind	1.24	1.20	1.20
92	21 ACF Ind	1.24	1.20	1.20	64	18 ACF Ind	1.24	1.20	1.20	74	21 ACF Ind	1.24	1.20	1.20	84	21 ACF Ind	1.24	1.20	1.20
93	21 ACF Ind	1.24	1.20	1.20	65	18 ACF Ind	1.24	1.20	1.20	75	21 ACF Ind	1.24	1.20	1.20	85	21 ACF Ind	1.24	1.20	1.20
94	21 ACF Ind	1.24	1.20	1.20	66	18 ACF Ind	1.24	1.20	1.20	76	21 ACF Ind	1.24	1.20	1.20	86	21 ACF Ind	1.24	1.20	1.20
95	21 ACF Ind	1.24	1.20	1.20	67	18 ACF Ind	1.24	1.20	1.20	77	21 ACF Ind	1.24	1.20	1.20	87	21 ACF Ind	1.24	1.20	1.20
96	21 ACF Ind	1.24	1.20	1.20	68	18 ACF Ind	1.24	1.20	1.20	78	21 ACF Ind	1.24	1.20	1.20	88	21 ACF Ind	1.24	1.20	1.20
97	21 ACF Ind	1.24	1.20	1.20	69	18 ACF Ind	1.24	1.20	1.20	79	21 ACF Ind	1.24	1.20	1.20	89	21 ACF Ind	1.24	1.20	1.20
98	21 ACF Ind	1.24	1.20	1.20	70	18 ACF Ind	1.24	1.20	1.20	80	21 ACF Ind	1.24	1.20	1.20	90	21 ACF Ind	1.24	1.20	1.20
99	21 ACF Ind	1.24	1.20	1.20	71	18 ACF Ind	1.24	1.20	1.20	81	21 ACF Ind	1.24	1.20	1.20	91	21 ACF Ind	1.24	1.20	1.20
100	21 ACF Ind	1.24	1.20	1.20	72	18 ACF Ind	1.24	1.20	1.20	82	21 ACF Ind	1.24	1.20	1.20	92	21 ACF Ind	1.24	1.20	1.20



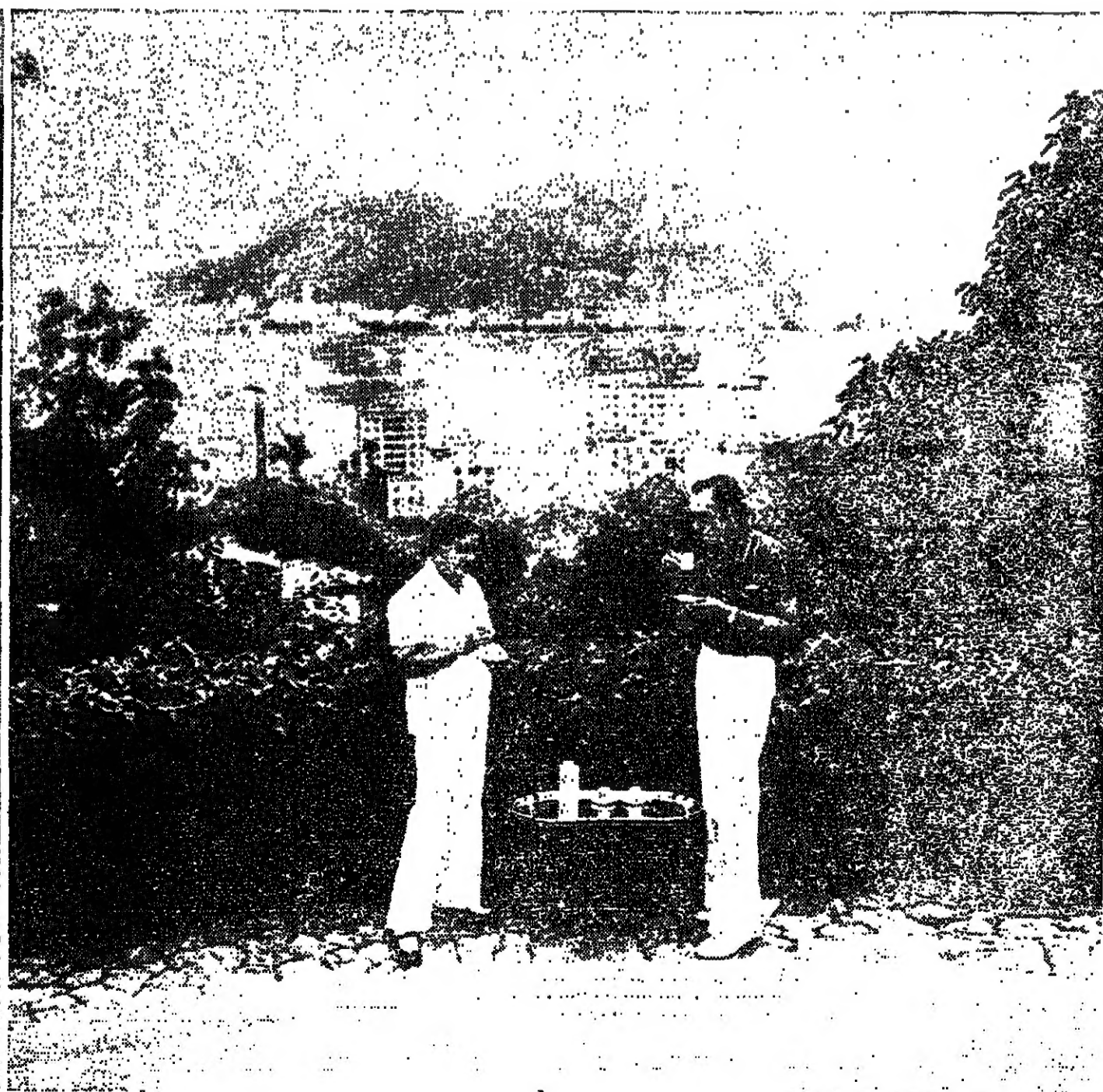
'We are in good trim to meet any changing circumstances'

'We have, in spite of the financial pressures on us, invested more capital than ever before and certainly more than many other comparable technically-oriented concerns. In 1976 we spent £50 million in the United Kingdom and a further £17 million overseas. This investment was made even though large sectors of UK capacity remained under-utilised. This expenditure, together with our longer-term plans and our current capital commitments, are clear signs of our confidence and our readiness to deal with the future, whatever form it may take. We have shown our flexibility before and we are in good trim now to meet any changing circumstances. Group sales for the year are expected to show some increase in volume on those of 1976 and this should enable benefits from the considerable expenditure on modernisation and replacement in recent years to be reflected in profits.'

Barrie Heath
Group Chairman

OUR RESULTS IN 1976

	1976	1975		1976	1975
	£ millions	£ millions		£ millions	£ millions
Total Group sales	1801.2	1214.2	Cash flow from operations	136.7	103.6
Of which sales by overseas companies			Total depreciation allocated to replace		
were	483.1	369.7	plant and other assets	47.6	41.9
Exports from the UK (goods and			Profits retained in the business	14.6	4.6
services)	203.4	143.5			
Profit before tax	97.8	69.7	Total net assets employed	307.8	781.6
Dividends	15.7	14.3	Capital expenditure	67.1	63.6
Earnings per share			Spending authorised for capital		
— on earnings of the year	24.8p	16.8p	investment	83.0	42.0
— on earnings prior to additional					
depreciation	57.6p	30.3p			

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More than money. In any language. **CHEMICAL BANK**

Office: New York, N.Y. Bahrain, Beirut, Birmingham, Bogota, Brussels, Buenos Aires, Cairo, Caracas, Channel Islands, Chicago, Dubai, Edinburgh, Frankfurt, Hong Kong, Jakarta, London, Madrid, Manila, Mexico City, Milan, Monrovia, Rio de Janeiro, Rome, San Francisco, Sao Paulo, Singapore, Sydney, Taipei, Tehran, Tokyo, Toronto, Vienna, Zurich.

U.S. Commodity Prices

NEW YORK, May 12—Cash									
prices in primary markets as registered today in New York were:									
Commodity and units									
Thurs. Yes or no									
FOODS									
Cocoa Caracas, lb.				+1.25%				* 36	
Cocoa 4 Caracas, lb.				+3.50				* 1.30	
TEXTILES									
Printcloth 64-50 32½, yd.				38				37½	
METALS									
Steel billets (Pitt.), ton.				346.00				312.00	
Iron 1 Fairb. Phila., lb.				516.15				214.82	
Steel wire R. 13½, lb.				70.75				82.64	
Lead sp. 10, lb.				21.00				21.25	
Copper sheets, lb.				71½-76½				70½	
Tin (Strait), lb.				6.75-67				3.7134	
Zinc 98-99, lb.				37.00				37	
Silver N.Y., oz.				4.730				4.81	
Gold N.Y., oz.				147.30				126.00	
COMMODITY INDICES									
Dow Jones Ind.				334.57				337.57	
May 12				334.57				337.57	
May 11				329.57				—	
1—Final									
2—Preliminary									
3—Normal									
NEW YORK FUTURES									
May 12, 1977									
SUGAR NO. 11 (30 tons)									
	Open	High	Low	Close	Prev.				
Jul	9.53	9.53	9.53	9.50	9.28				
Oct	9.52	9.52	9.52	9.50	9.27				
Jan	9.62	9.78	9.62	9.78	9.50				
May	9.75	9.92	9.75	10.00	9.70				
Jul	9.85	10.05	9.85	10.00	9.75				
Oct	9.98	10.18	9.98	10.00	9.70				
Jan	10.15	10.35	10.15	10.00	9.70				
May	10.32	10.52	10.32	10.00	9.70				
Oct	9.90	9.92	9.92	9.92	9.93				
Sales: Actual									
COCA (30,000 lbs.)									
May	103.00	104.00	102.00	103.00	102.00				
Jul	103.00	104.00	102.00	103.00	102.00				
Sep	104.00	105.00	103.00	104.00	103.00				
Nov	105.00	106.00	104.00	105.00	104.00				
Dec	106.00	107.00	105.00	106.00	105.00				
Jan	107.00	108.00	106.00	107.00	106.00				
Feb	108.00	109.00	107.00	108.00	107.00				
Mar	109.00	110.00	108.00	109.00	108.00				
Apr	110.00	111.00	109.00	110.00	109.00				
May	111.00	112.00	110.00	111.00	110.00				
Jun	112.00	113.00	111.00	112.00	111.00				
Jul	113.00	114.00	112.00	113.00	112.00				

Public Relations. B-8550 ZWEVEGEM (Belgium).

African Gold Shares
 Quotes in dollars do not include London dollar premium.

Smith SR	20% 20%	Neuhaus D	20% 20%	Parke H	10 10	Wash MS	24% 33
Orme PA	32 33	Jam/Pr	4% 4%	Pauls P	6 4	Wegand	4% 45%
son Pap	30% 34%	Jambsy	15 13%	Peel MY	15% 15%	Ward L	20% 28%
row Co	13 13%	Jiffy Pds	3 1%	Pt Enter	10% 10%	Wright W	3% 4%
Press Co	25% 25%	Joshua M	55% 1%	ProDG	12% 15%	Zion H B	5% 5%

Stock sales year ago	2,189,000	Fisher Fds	Natline
American Stock Index:		Gannett Co	NatInd p8
High	Low	Gracifi	QHPw 7.66f
4.06	109.49	GratPac	Phetrolane
	Chg.	Gulf OR	Pharos Dod
	-0.35		Polaroid

هذه امانة الاصل

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Eurocurrency Interest Rates				European Gold Markets			
German Swiss France Sterling				May 12, 1977			
Dollar	Mark	Franc	Sterling		Open	Close	N.C.
7 D.	5 1/2-5 3/4	3 1/2-3 3/4	1 1/4-1 1/2	7 1/2-8	147.10	147.50	-0.50
1 M.	5 3/4-6 1/4	3 3/4-4 1/4	1 1/2-1 3/4	8 1/2-9	147.25	147.75	-0.75
3 M.	5 3/4-6 1/4	3 3/4-4 1/4	1 1/2-1 3/4	8 1/2-9	147.37	147.64	-0.32
6 M.	5 3/4-6 1/4	3 3/4-4 1/4	1 1/2-1 3/4	8 1/2-9			

U.S. dollars per ounce.

FAST, FREQUENT, DAILY.

		May 12, 1957		NEW YORK		DALLAS		NEW YORK	
		By reading across this table of yesterday's closing inter-bank foreign exchange rates, one can find the value of the major currencies in the national currencies of each of the following financial centers. These rates do not take into account bank service charges		DALLAS		NEW YORK		NEW YORK	
		\$	£	\$	£	\$	£	\$	£
		FF	L.R.	Glar.	Swiss F.	Dac.Kr.			
Amsterdam	2.4953	4.2418	104.12	93.543	97.257	6.8070	97.455*	41.11*	
Brussels	(1) 36.33	62.393	13.239	1.138	6.0534	14.509	14.223	6.013	
Frankfurt	2.5702	4.0747		47.77*	2.6748	96.94	6.837*	5.78*	38.27*
London	(1) 171.28	4.9743	8.8020	1.6273	4.5555	62.31	10.235	10.393	
Milan		1.2524	27.043	176.88	1,825.13	382.53	1.49		
Paris	4.9820	8.21	296.079		1.5950	201.339	115.920	106.120	22.650
Zurich	2.6777	4.0590	106.49*	50.63*	6.2356	165.372	6.8675*	11.58*	

The following are dollar values only on the London foreign exchange market:
 Danish krone: 6.0345; Escudo: 35.67; Israeli S: 9.42; Peseta: 69.84; Schilling: 14.855; Sv. krona: 4.3670; Yen: 270.575; Pz. krona: 8.2940; Fin. mark: 4.9;
 Belgian franc: 36.23; Hong Kong \$: 4.6770; Singapore: 32.4545;
 Canadian \$: 8.2875.

(1) Commercial trans. (*) Units of 100. (2) Units of 1,000. (3) Units of 10,000
 (4) AUSTRALIA needed to buy 999 pound.

NEW YORK
DALLAS

Oslo
U.S. \$ 75,000,000
8 1/4% Bonds due 1992
unconditionally guaranteed by the
KINGDOM OF NORWAY

WESTDEUTSCHE LANDESBANK GIROZENTRALE		
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American Airlines

Right Hands Halt Bout After 58 Seconds

Norton Needs Less Than Minute for Bobick

Michael Katz

NEW YORK, May 12 (UPI)—In a minute last night, a proved he was still a contender for the heavyweight boxing title. Duane Bobick was not at all at least not yet winning speed, Norton previously undefeated in 58 seconds of the bout of a scheduled 12-round fight at Madison Square Garden, right hand to the left of the Minnesota little hemorrhage in on, a series of rights down and when he count of 9 and forward, referee Peter the fight.

Ken Bobick, an Olympian in the 1972 Munich, 28 undefeated professional to become contender. But after 58 seconds of the bout, he was back to of journeyman. He has lost two little round-knockout Foreman and last controversial decision expected to announce have a third chance. Bob Byron, Norton's 11 hold a conference at All-Norton IV, ap- for October in Rio will be announced.

is a date Monday: Alfredo Evangelista, no one expects that from a \$12-million fight. The California All and broke their first meeting, in two close fights to since. After the last fight seriously of re-nursing a movie

But he showed a crowd, announced at \$725 by the Garden, and a national TV audience, estimated at 43 million, that he was still No. 1 in the division. He has that ranking from both the World Boxing Association and World Boxing Council.

Norton, who weighed in at 223 1/2 pounds Tuesday, had expected Bobick, 215 1/2, to press him from the top of the heavyweights. He was standing at an angle at the start and I was going to hit him with an uppercut and hook right off the bat," said Norton.

But when Bobick stayed back, Norton decided to press forward. He went for the body first, and noticed when he threw a right that "his eyes would follow my head down." Bobick was set up for the looping overhand rights that bothered All last September at Yankee Stadium.

An overhand right to the head less than a half-minute into the round staggered Bobick. The 2-1 underdog's body pitched forward and quickly, Norton was betting him with both hands. One punch, which Bobick remembered as a straight right, caught the 26-year-old hope in the Adam's apple and brought tears to his eyes.

But even without that punch, it was doubtful whether Bobick could have survived. Norton rained overhand rights to his head and Bobick, trapped in his corner, finally fell, tumbling over on his left shoulder. He was up at the count of 9 and the referee was willing to let the fight continue "being as he got up," until Bobick staggered forward again. Della decided enough was enough.

Dr. Harry Kleiman of the State Athletic Commission said Bobick should experience no permanent damage from the punch to the voice box, which apparently had caused "tiny little capillaries to hemorrhage." The doctor said it would take a week to four weeks for Bobick to be fully recovered.

His career won't come back so fast, Norton refused to say what he had said before the fight, that Bobick was not in the same class with him. "I feel he's very young and he'll be back," said the winner. "We haven't heard the last of Bobick."

Bobick, his voice cracking and a red welt under his left eye, replied to a question, also pertaining to a glass, by saying, "I had 38 fights—there must have been one live body in that bunch."

But the man who had been called a Great White Hope was exposed for the time being, as a great white elephant. He earned \$300,000 for his first big-time fight, the live gate was only \$254,538. Norton's manager, Herb Brown, Norton's manager, said he already had a \$200,000 advance in his safe, with a copy of a contract signed by All and the champion's manager, Herbert Muhammad.

In a preliminary, Mike Rossman, 30-3-3, stopped Mike Quarry, 58-9-4, on cuts in the sixth round of their 11-round light-heavyweight battle and Quarry immediately retired at the insistence of his older brother, Jerry. In another prelim, Olympic lightweight gold medalist Howard Davis Jr., 3-0, won a unanimous decision over Carlos Gonzalez.

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Bobick's head, and he collapsed in his corner. Bobick staggered back to his feet before the count of 10, but referee Peter Della stopped the fight anyway.

"He really hurt me," admitted Bobick, who had predicted victory in the seventh or eighth round of the scheduled 12-round bout.

"I didn't think I would hurt Bobick that soon," Norton said. "I thought he might absorb some damage and I'd wear him down."

"I trained very hard for this fight," said Norton, 31, whose weight, 223 1/2, was almost five pounds heavier than it was for his last All fight and seven pounds more than Bobick's 215 1/2. "Once I got in there, it was like unwinding a spring. I just sprung right out."

Bobick had come into the ring wearing a floral wreath with a red ribbon. It looked like something that belonged at a funeral, and in a sense that's where it was because Bobick can no longer be taken seriously as a heavyweight contender.

In his defense, Bobick, who claims to be a slow starter, said, "I just didn't have a chance to get loose to do anything."

"I was ready," Bobick said. "I expected him to come out like that, but I didn't expect the shot in the throat."

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RIGHT TO THE END—Ken Norton lands his first damaging right hand, in first round, to the side of Duane Bobick's face and the heavyweight bout is stopped after 58 seconds.

Nastase Upset by Antics and Dibbs

DALLAS, May 12 (UPI)—Eddie Dibbs played brilliant tennis to overcome all the gamesmanship of Nastase in the quarterfinals of the World Championship Tennis final.

Nastase served two straight aces in the fifth game and, before Dibbs was ready to receive the next serve, Nastase simply lobbed a ball into the service court for ace No. 3 and walked to the baseline.

Dibbs allowed the unsportsmanlike gesture to stand but for the rest of the match made numerous obscene gestures to Nastase and backed them up with more than mild curses.

Nastase replied in kind and on more than one occasion they gave each other slight shoves while changing courts.

Finally, early in the third set, WCT European manager John McDonald went outside and sat next to Nastase in an attempt to control his emotion while WCT road manager Larry Pease talked briefly to Dibbs.

After spitting the first two sets, the players fought on even terms through the opening game of the third set, but Nastase

suddenly lost all touch and dropped 11 straight points.

In the final set, Dibbs broke Nastase to serve at love in the fourth game, beating Nastase for the first time in three tries, then served out the match although Nastase fought off three match points in the ninth game.

The two players shook hands after the match. "It was as well as I ever have," said Dibbs. "But I really got backed off the way he was behaving. I thought we were friends, but I guess we aren't. Actually, I thought he might be tired so I tried to run him around a lot and I'm happy I played extremely well."

Nastase admitted he had "no legs" and said: "I tried to rally with him but I was too tired. I have been playing two weeks on clay and I didn't know what to do with the ball on the surface (Supreme Court)."

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